



Daily Report

Latin America

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Cuba

Further Reportage on Gorbachev's Upcoming Visit

Soviet Envoy News Conference

FL3003011489 Havana Television Service
in Spanish 0000 GMT 30 Mar 89

[Text] Soviet Ambassador to Cuba Yuriy Petrov has granted a news conference on the occasion of the upcoming visit of Soviet leader Mikhail Gorbachev to our country. In response to journalists' questions, the diplomat said.

[Begin recording] [Petrov in Russian with simultaneous Spanish translation] First, I should say that the reduction of aid and our support to Cuba will not take place in any way. Second, regarding restructuring, our country is developing a process to increase efficiency of our national economy. The more efficient we can make our economy, the more ("generous") our country will be, we will be able to provide more help not only to Cuba but also to all our friends, including developing countries.

Regarding the part of your question that stated that the processes are not taking place in Cuba in the line [words indistinct] I cannot agree with this conclusion inasmuch as in Cuba a process of rectification or correction of mistakes is taking place. This is totally in line with the current level of production forces using the experience of the Cuban leadership and the Cuban Revolution. How is it going to develop and where is it heading? Surely it will also increase production efficiency, and will give more dynamism to the Cuban economy.

Restructuring and rectification are the same kind of phenomena and head in the same direction. These processes are being carried out in line with the concept [words indistinct] each of our countries have today. [end recording]

Petrov said that during Gorbachev's stay in Cuba, in addition to bilateral subjects, various matters of international current events [words indistinct] will be dealt with.

Domestic journalists and the large number of foreign correspondents that will cover the visit were informed about the program of activities and the facilities available at the news center located at the Habana Libre Hotel for them to perform their work.

Commentary on Expectations

FL2903192089 Havana Radio Rebelde Network
in Spanish 1700 GMT 29 Mar 89

[Station commentary]

[Text] The visit that the supreme Soviet leader, Mikhail Gorbachev, will begin on Sunday has awakened much interest in and out of Cuba. This atmosphere is confirmed by the fact that, to date, over 600 foreign journalists have been accredited here to cover the event. Internally, over 600,000 capital residents are ready to give Gorbachev one of the warmest welcomes that the country can recall.

Many people are asking: What will be the result of this visit? All Soviet officials and personalities who have been asked about this have agreed that the visit will raise to a new level the cooperation between the respective peoples and the parties. They even project that the Gorbachev-Fidel summit will transcend the area of bilateral relations—that is logical. Looking at the current situation, the world is facing many problems that will be analyzed by the two leaders. We can cite three of those problems: the struggle for peace, the Central American situation, and the Third World foreign debt.

However, the focal point of almost all western observers seems to be on another subject. Their expectations revolve around the economic and social restructuring process in the USSR and the process of rectification of errors and negative tendencies in Cuba. It is known that the means that each country has chosen to carry out these processes are different. To clarify this, several people have been trying to present this fact as something that could deteriorate the future development of the multifaceted relations between the USSR and Cuba.

We, Cubans, refer to what Fidel said on 26 July, just a few months ago: Of course, they would like very much to sow discord between Soviets and Cubans. However, there has never been greater communication. Our communication with the leadership of the Soviet party is excellent; we understand one another perfectly. We speak in a frank and clear language. Furthermore, it has never occurred to us that we must simply copy what the Soviets do, nor has it occurred to the Soviet leadership that we must copy what they are doing. This is clear.

Leaders To Discuss Relations

FL3003135789 Havana Radio Progreso Network
in Spanish 1100 GMT 30 Mar 89

[Text] Cuban Vice Foreign Minister Miguel Brugas has expressed his certainty that our people will give Gorbachev the warmest welcome. He said that it is expected that Fidel and Gorbachev will discuss the most important aspects of relations between the CPSU and the Communist Party of Cuba, as well as international policy, including problems that currently cause concern among humanity.

Press Center 'Inaugurated'

FL3003130989 Havana Tele-Rebelde Network
in Spanish 1100 GMT 30 Mar 89

[Text] On the occasion of the visit of the supreme Soviet leader Mikhail Gorbachev, a press center was inaugurated yesterday at the Solidarity Hall in the Habana Libre Hotel. Eight hundred national and foreign journalists will meet in Havana to report to their respective organizations on the details of the visit which the representative from the brother nation will begin this Sunday [2 April].

The reporters will have available to them 40 telephone booths for domestic and overseas calls, 60 telex machines with their respective operators, 60 typewriters, and 10 televisions which will carry live and closed-circuit coverage of everything that is on Mikhail Gorbachev's schedule. The journalists will also be able to obtain magazines, books, and videos.

A press room has been set up for the Cuban and Soviet speakers who will discuss the economic development of each country and cooperation between the two countries.

'Official Protocols' Signed With USSR

FL3003022589 Havana Radio Rebelde Network
in Spanish 2302 GMT 29 Mar 89

[Report by Felix Fernando Garrido during "Exclusivo" newscast, place not given—live]

[Text] [Garrido] We are ready to report to you on an event which just took place here. I am referring to the signing of official protocols between our country's ICRT [Cuban Institute of Radio and Television] and the USSR's State Committee for Television and Radio Broadcasting. These documents were signed by Genrikh Yushkyavichyus, deputy chairman of the State Committee for Television and Radio Broadcasting of the USSR, and Comrade Ismael Gonzalez Gonzalez, member of the Communist Party of Cuba [PCC] Central Committee and president of the ICRT.

This 1989-90 work protocol includes the exchange of radio and television programs, collaborators, and experiences in special programs. Special programs for 1 January and 7 November will be worked on. There will be exchanges of journalists between the countries.

Now we want to talk very briefly with the president of our organization who is also member of the PCC Central Committee, Comrade Ismael Gonzalez Gonzalez. We know that we can speak with him briefly because this is the signing of an official protocol and this type of event does not take much time. Good evening, Ismael.

[Gonzalez] Good evening.

[Garrido] We would like to know Mr President, what is the essence, the core of the protocol that was just signed between Cuba and the Soviet Union. I am referring to the institutes or State Committee for Television and Radio Broadcasting of the Soviet Union and Cuba's ICRT.

[Gonzalez] The signing of the protocol makes official a new stage in cooperation between the State Committee for Television and Radio Broadcasting of the USSR and the ICRT. We have to say that we have maintained close relations for many years in the field of programming during which radio and television material have been exchanged. Many of our specialists have been able to acquire a professional level during their stay in studios in

Moscow and other Soviet republics and also Soviet specialists have provided their services in numerous tasks, especially in the field of technology.

For example, we have in Moscow a radio director operating the Span broadcast of the Moscow radio for foreign countries. Two announcers also contribute to this radio's transmissions in the Spanish language. The Soviets here and we in Moscow have permanent correspondents. You and the "Exclusivo" listeners have been able to notice this through the news services of the Cuban radio and television.

[Garrido] Gonzalez, I have a question that is almost a must. Our listeners are anxious to learn how the ICRT is preparing to take to all our people, through radio and television, the details of the upcoming visit to our country of the top Soviet leader Mikhail Gorbachev.

[Gonzalez] We are working very hard. This event has aroused a lot of international attention. Numerous requests are being received for access to our communications signals and many international networks have asked for their accreditation to be able to cover it. We are going to adequately show the reception, the affection with which our people are getting ready to welcome this distinguished visitor. This also shows our recognition of the exemplary relations that have existed between the Soviet and Cuban peoples during all these years and the cooperation relations that have developed in the various spheres up to the moment. Surely, this visit will mark another step on its future development during the next period.

The national radio and television will be present in the main activities that will take place on the occasion of the visit. Many of the transmissions of the fundamental events will be carried live by the radio and television.

[Garrido] We would like to know about this, not technical detail but general information.

[Gonzalez] We are getting ready for the welcoming that will be followed by our people live through radio and television in addition to satellite transmissions for foreign countries, including Cubavision channel for our internationalists. Also, the fundamental activities that will take place will be reflected.... [changes thought] At this time, the technical equipment used will show the high level of professionalism of our comrades. We are convinced that our people will be well informed, will be up to date, and will be able to witness the welcoming that Havana, on behalf of the entire country, will give Comrade Gorbachev. All the fundamental elements will be recorded in line with the display of technical and professional resources we have planned with the group of our talented technicians and professionals in general.

[Garrido] Thank you, Mr President. We are certain it will be so. All "Exclusivo" listeners are convinced that radio and television will be efficient enough to show clearly and colorfully all the enthusiasm and affection our people have to receive Comrade Mikhail Gorbachev as he deserves.

We thank Comrade Ismael Gonzalez Gonzalez, member of the PCC Central Committee and president of the ICRT for his remarks for Rebelde's "Exclusivo."

Trade With USSR Increases by 3 Million Rubles

*FL2903182289 Havana Radio Reloj Network
in Spanish 1417 GMT 29 Mar 89*

[Text] Trade between the USSR and Cuba last year increased by 3 million rubles in comparison to 1987. While preparing the trade plans for the current 5-year period, the USSR and Cuba agreed that the prices of Soviet merchandise will remain constant for 5 years.

A report from the TASS press agency states that the documents on economic and scientific-technical cooperation between the two countries include measures that will guarantee the renewal of certain items and an increase in the quality of products that are mutually supplied. TASS adds that a protocol was signed last week in Moscow stipulating increased trade relations with Cuba.

Havana on Soviet Differences With U.S. Policy

*FL2903150889 Havana Radio Progreso Network
in Spanish 1100 GMT 29 Mar 89*

[Text] The USSR has said that there are notable differences between its position and the U.S. position on the Central American problem. This statement was made in Moscow by Soviet Foreign Ministry spokesman Gennadiy Gerasimov. The spokesman criticized Washington's policy toward the area and the United States' intention to maintain its so-called humanitarian aid to the Nicaraguan contras. Gerasimov said that the opinions of the United States falsify the nature of the USSR's policy toward Central America and its relations with Cuba and Nicaragua.

Commentary Says U.S. Relations Not To Change

*FL2903164289 Havana Radio Rebelde Network
in Spanish 1040 GMT 29 Mar 89*

[Station commentary]

[Text] The Spanish press agency EFE, in today's reports, says that according to an unidentified U.S. official, Secretary of State James Baker informed the U.S. Embassies in Latin America that, and he quoted: There will not be changes in relations with Cuba unless that country changes its behavior.

It appears that the document is not official, nor are the sources identified. However, it seems to be very reliable.

A lot of things seem to indicate that the Bush administration is not in a position, nor does it have the least desire, to modify its predecessor's absurd policy toward Latin America and the Caribbean. The delay in the naming of the assistant secretary for Inter-American affairs indicates that inertia seems to be the tone of this administration. Furthermore, the harassment and the pressures against Nicaragua, through allocation of \$40 million to support a counterrevolutionary army in Honduras, shows that neither imagination, nor honoring agreements seem to characterize the U.S. governing team; that is their business.

The tone of the note, if it exists, by saying that it will determine the U.S. attitude toward Cuba if we change our behavior, involves a mixture of imperial arrogance and stupidity, and has no place in history. Since when does a sovereign nation that respects international law and agreements have to adapt its behavior to what another government thinks? We do not like, at all, the behavior of the United States toward Third World countries which it exploits. We do not like that Yankee behavior when it adopts, in an underhanded way and with scheming hypocrisy, a number of dictatorial attitudes. We do not like the behavior of U.S. authorities toward Puerto Rican patriots, Black and Latin American minorities, and the long-suffering Palestinian people. We do not like the U.S. position on the Third World foreign debt, on brain drain, or the U.S. permissiveness toward drug consumption and delinquency; we do not like this. There are many things we do not like about the Yankees. However, we cannot forget that the internal affairs of a country, as well as its laws, may not be liked by another nation. Nevertheless, it is intolerable and a gross violation of rules of coexistence to try to set standards for nations, or even worse, to threaten and attack them.

Delving into the area of assumptions, could it be that the Yankee failure to defeat Cuba at the UN Human Rights Commission in Geneva this year has the U.S. Government so angry, and on the road to hysteria? That, obviously is its problem, not ours.

Further on Baker's Comment

*FL3003134389 Havana Radio Progreso Network
in Spanish 1100 GMT 30 Mar 89*

[Text] U.S. Secretary of State of James Baker has said that U.S. policy toward Cuba will not change at all under the current administration.

This was stated in a message circulated by Baker to U.S. Embassies in Latin America. The announcement states two conditions for any improvement in Cuba-U.S. relations. According to Washington, the Cuban Government should improve its respect for human rights and quit exporting the Cuban Revolution. The United States has directed these two accusations against Cuba over the past 3 decades.

Just over a month ago in a press conference in Caracas, Commander in Chief Fidel Castro said that Cuban democracy, as well as the Revolution, cannot be exported. More recently, Fidel said that Cuba has nothing to rectify in the area of human rights. This same month, the UN Human Rights Commission voted in Geneva against a U.S. draft resolution directed against Cuba. For the second consecutive year, the United States was defeated in its attempts to discredit the successes of Cuba in the area of man's rights.

Cooperation Agreement Signed With PDRY
*FL2903185389 Havana Tele-Rebelde Network
in Spanish 1700 GMT 29 Mar 89*

[Text] A cooperation agreement between Cuba and the People's Democratic Republic of Yemen [PDRY] was signed in Havana last night at the conclusion of the 10th Intergovernmental PDRY-Cuba Conference. Public Health Minister Sa'id Sharaf signed the agreement on behalf of the PDRY. Fishing Industry Minister Jorge Fernandez Cuervo signed on behalf of Cuba.

After 10 years of productive multilateral cooperation, this agreement opens new possibilities in the areas of transportation, fishing, and basic industry.

Nigerian President Receives Castro's Envoy
*FL2903180289 Havana Radio Reloj Network
in Spanish 1402 GMT 29 Mar 89*

[Text] Nigerian President Ibrahim Babangida has received in Lagos, the capital of that South African country, Manuel Sosa, special representative of our Commander in Chief Fidel Castro Ruz. Manuel Sosa reported on the situation in Angola and Namibia, the withdrawal of Cuban troops from Angola, and the process of independence that begins in Namibia on 1 April 1989.

During the meeting between the Nigerian head of state, Ibrahim Babangida, with the special representative of Commander in Chief Fidel Castro Ruz, the leader of the African nation stressed the fulfillment of the agreements signed by Cuba to attain Namibia's independence. Babangida said that Nigeria will continue to contribute to the process of a peaceful solution in southern Africa because all of the people need peace.

Culture Minister Attends CEMA Meeting
*FL3003135889 Havana Tele-Rebelde Network
in Spanish 1100 GMT 30 Mar 89*

[Text] Cuban Culture Minister Armando Hart Dávalos has expressed his satisfaction for the speed with which CEMA has discussed the proposals for analysis of the material needs for culture in socialist countries.

Hart is attending a CEMA meeting in Moscow to discuss possible solutions to the problems presented by the culture ministers. In statements to PRENSA LATINA,

the Cuban minister spoke positively about the creation of a CEMA group responsible for the assessment of the material needs and mass media requirements for the development of culture.

Havana State Security Museum Inaugurated
*FL2903234289 Havana Radio Rebelde Network
in Spanish 2330 GMT 27 Mar 89*

[Report by Felix Fernando Garrido from the State Security Museum in Havana during "Exclusivo" newscast—live]

[Text] [Garrido] I am still here outside the State Security Museum, located at 5th and 14th Streets, to give you a brief description of the place. Before, I would like for you to listen to excerpts of the remarks made here by Division General Luis Berreiro Carames, vice minister of interior, during the official opening ceremony of this State Security Museum.

[Begin Berreiro recording] This is a live and combatant museum. Here are represented not only the feats of the past but the seeds of future ones. Here we have past victories but also future ones. Here we have not only the testimony of what happened to an arrogant and criminal enemy that disregarded and underestimated our fighting capabilities, but also the warning of what it could experience in the future if it does not learn its lesson.

These walls from now on will show to our combatants and the people, the comrades who fought at one time. They not only look at us in silence but many times they also fought and died in silence in the ranks of the Cuban security. They accompany us, encourage us, and inspire us in the new tasks. Among us, they reaffirm today in our 30th anniversary that we were, are, and always will be unbreakable soldiers of the Revolution, our party, and Fidel. Fatherland or death, we will win! [end recording]

[Garrido] In effect, this has been a very emotional ceremony; it has been full of patriotism. A large number of officers who compose the Interior Ministry [MININT] High Command and other chiefs and officers of the ministry, of the State Security organs, and of course, of our Revolutionary Armed Forces [FAR], as well as other comrades invited to this opening ceremony.

The museum, located at 5th and 14th Streets in Miramar, remembers the hard, dedicated, and many times anonymous work of the security comrades. It includes, from an introductory room until the room of martyrs, the entire process as the attacks of the enemies of the Revolution on our country became more complex and varied. It also logically includes, the response of the people and, especially, of the security organs which are the true image of the strength, will, and decision of our people.

I can tell you that behind the introductory room there is a room which displays all the activities carried out by the CIA. Another room shows counterrevolutionary organizations, the way they were organized, operated, and behaved. Following is the room which shows the attacks. As our people well know, the enemies of the Revolution attempted hundreds and hundreds, especially against our commander in chief and other leaders of the party and the Revolution. Logically, they all bit the dust of defeat because the State Security, together with the resolute support of our people, truly disarmed them, dismantled them, and they were all finally aborted.

Following is the room showing the outlaws. As we can remember from the sixties, from 1960 until 1966, they were a scourge, groups of counterrevolutionary bands attempted to take actions against the Cuban Revolution practically throughout the entire country. Then, there is a room dedicated to air and sea piracy. Finally, there are three rooms: solidarity, friendship, and martyrs. The martyrs room has photographs of the 89 combatants of the State Security organs who have fallen throughout these years.

I have to say that in the exterior areas there are also some socioadministrative installations which are part of this State Security Museum. The main patio has a Formula 223 speed boat used by our enemies in their piracy activities against our country.

Friends, we have brought to you from here, from the State Security Museum, on the occasion of the 30th anniversary of the security organs, this description. As our main cabin comrades already announced, we have the pleasant surprise of having a true testimony given by the commander in chief, Comrade Fidel Castro practically 24 hours ago when he toured this installation yesterday afternoon. He gave us his impression of what he observed and learned in his tour through the museum. He was accompanied by Army General Raul Castro, second secretary of the Communist Party of Cuba [PCC] Central Committee and minister of the FAR, and by Division General Jose Abrantes Fernandez, member of the PCC Central Committee and interior ministry, other MININT High Command members, as well as FAR officers invited to this event. Following is the testimony given during the exchange we had with Commander in Chief Fidel Castro right here 24 hours ago.

[Begin recording] [Garrido] What is your impression of the place 48 hours before this museum is opened to the public and during the 30th anniversary of the security organs?

[Castro] I think it is very revealing. It is very good. Museums are very difficult to make. I believe the entire history of the State Security in these years has been included. I have a good impression of it. I am sure it is going to be of interest to those who come to visit it. Where are you from?

[Garrido] From Radio Rebelde's "Exclusivo" newscast.

[Castro] Radio Rebelde. This is the impression I have. This has made me remember many things.

[Garrido] We heard you talking.

[Castro] We were telling a short story.

[Garrido] You were talking about the possibility of having a book written with these things.

[Castro] Well, it occurred to me. When I saw the numerous attempted attacks I asked how many there were. I remembered that the [U.S.] Congress wrote a book. In reality a larger book could be written. They only cited a few cases in theirs. I believe that we ourselves do not know how many attempted attacks there were because there were so many. Many plans were aborted prematurely. Some advanced because they advanced on their own. So I say that perhaps this material could be used to write a book. Someone who may have the time to write a book could do it.

[Garrido] I believe this is going to be a must for the people to visit, Commander.

[Castro] I believe so. People like museums in general. The people who are part of these historic events almost never think of the future. Actually, they think of the future but do not think of historic evidence or the historic importance of what they are doing. This is why they do not collect objects, documents, and other things. They do not think about this. This is why it is very difficult for the people to collect the material.

I was thinking whether or not I had something from those times that I could give the museum; there is no place to put it. This one is for the State Security people and counterrevolutionaries. We need to see if we can put an object, a weapon used, someplace here. I have some of the weapons used during that time, especially when the [words indistinct] came, when we were fighting against the bandits. Those things are always of some value later. I am going to look around and see what I can give the museum.

[Garrido] Thank you, Commander. [end recording]

Credit Agreement Signed With International Bank
FL2903192189 Havana Tele-Rebelde Network
in Spanish 1700 GMT 29 Mar 89

[Text] A credit in transferrable rubles and in freely convertible currency that will facilitate the purchase of equipment from Western countries is included in the agreement signed by (Fred Teper) and Hector Rodriguez Llopart, vice president of the International Investment Bank [IIB], and minister-president of the Cuban National Bank, respectively. The agreement will also finance the addition of six new canners for fresh citrus.

This is the second credit granted to Cuba by the IIB for the citrus industry. Previously, resources were granted for the expansion of combines in the Isle of Youth and Jaguey Grande.

Statistics on People's Government Nominations

FL2903195089 Havana Tele-Rebelde Network
in Spanish 1700 GMT 29 Mar 89

[All figures as heard]

[Excerpt] The general statistics on the more than 27,000 assembly meetings for the nomination of delegates to the country's people's government were presented to the press today at the headquarters of the National Assembly of the People's Government.

The country has 7,020,202 registered voters. Eighty percent of these voters attended the assembly meetings in their district. This is considered to be one of the highest indexes in the Cuban electoral process. Only three assembly meetings were annulled for violating the electoral law and they were later resumed.

The high percentage of youths and women nominated at the assembly meetings is significant. It is also interesting to note that 60 percent of the current delegates were renominated for this responsibility. [passage omitted]

Federation of Women's Plenum Ends 29 Mar

FL3003030289 Havana Television Service in Spanish
0000 GMT 30 Mar 89

[Text] The seventh [as heard] plenum of the national committee of the Federation of Cuban Women [FMC] has come to an end.

[Begin Vilma Espin recording] We should say that we are extremely satisfied with the good and thorough discussions of everyone's participation in this committee. We have taken a number of decisions and have analyzed a number of documents that are fundamental and far-reaching in our work. So, let's begin by saying that we congratulate ourselves for having such a committee that has been used so well by all of us. [end recording]

These were 2 days of active discussions and a full work agenda which included the most pressing problems of women in life, society, and the women's role in the family which is currently experiencing changes. It can clearly be concluded from this meeting that the FMC has taken solid steps in the strengthening of its ideological work, that it is renovating its methods, contents, and structures to establish a true communication with the grass roots and a true correlation with the demands of the political work taking into account the 30 years that have gone by. The general feeling of the comrades who participated in this seventh plenum of the FMC national committee is that much is yet to be done.

Country To Accommodate 600,000 Tourists by 1992

FL3003140589 Havana Radio Progreso Network
in Spanish 1100 GMT 30 Mar 89

[Text] By 1992, the country will have 16,000 rooms available and will be able to accommodate about 600,000 tourists per season. This information was reported in Caibarien by Abraham Maciques, director of the Cubanacan Corporation. Nevertheless, Maciques said that although the nation has an excellent tourism infrastructure, it should be complemented with the proper rendering of services.

Haiti

U.S. Missionaries Wounded in Leogane Incident

FL2903194989 Port-au-Prince Radio Soleil Network
in Creole 1200 GMT 28 Mar 89

[Text] Our correspondent told us yesterday that a person was killed and 10 were wounded in Petite Riviere de l'Artibonite last Sunday as a result of a clash between two Rara groups in the Liancourt area. Also, our correspondent in Leogane told us that several Protestant missionaries were wounded by machete blows Sunday in Leogane after the car they were in hit two Rara groups. These seven American missionaries, who are members of the Methodist Church, were taken to Sainte Croix Hospital in Leogane for medical care.

More on Easter Sunday Attack

FL2903212889 Port-au-Prince Radio Metropole
in French 1700 GMT 28 Mar 89

[Excerpts] Seven Methodist missionaries were wounded—some of them seriously—on Easter Sunday on National Highway No 2 not far from Leogane. There were 12 Methodist missionaries, both American and Haitian, in a pickup truck. They were on their way back to Port-au-Prince after having inaugurated a church in Violet. Shortly before reaching Leogane, the pickup truck ran into a rara group and, according to certain witnesses, some people were hurt. The missionaries deny this.

An angry crowd then stormed the pickup truck, attacking the occupants with rocks and machetes. Four missionaries were seriously wounded, and three others suffered minor wounds. They were given first aid at Sainte Croix Hospital in Leogane.

One of the occupants of the pickup—a Haitian—tells us what happened.

[Begin recording] [Unidentified speaker, in Creole] [Passage omitted] The rara group opened up to let us through, but then encircled us. Since the people are missionaries and Christians, they put up their windows. Suddenly the rara group began smashing the vehicle's windows with rocks, beating on it with sticks, and so forth. People got clubbed with sticks.

[Unidentified reporter] Had you forced your way into the group?

[Speaker] Not at all....

[Reporter, interrupting] Was the car moving?

[Speaker] Yes. They made us stop; so we stopped and the occupants of the vehicle put up their windows.

[Reporter] Had you hit anyone in the group [with the vehicle]?

[Speaker] No. We didn't hit anyone. When they started smashing the windows, (?the missionaries) drove on. No one had ever been hit. The missionaries honked at them and the group opened up. (?Under a hail of rocks) they opened up, and the missionaries went on.[passage omitted]

That was a witness to the dramatic incident, and it seems that both the wounded and unwounded American Methodist missionaries, traumatized by the dramatic Easter Sunday incident, are planning to leave Haiti this afternoon.

Foreign Secretary Speaks at OAS Headquarters
PA2903222789 Mexico City EXCELSIOR in Spanish
22 Mar 89 pp 1-A, 10-A

[Report by Jose Manuel Nava on speech by Foreign Secretary Fernando Solana at the OAS headquarters in Washington, D.C., on 21 March]

[Text] Washington, D.C., 21 March—Foreign Secretary Fernando Solana warned today that the Latin American countries "cannot, should not, and will not prolong their sacrifices indefinitely," and he demanded "immediate, specific, and applicable measures" to resolve the region's debt crisis.

Solana demanded action from Mexico's creditors and said the wealthy countries should choose between sharing their development, democracy, and peace, or sharing hunger, authoritarianism, and violence.

In a speech defining Mexico's position in response to the leading challenges the continent is faced with, Solana warned that if the international community does not react to the magnitude of the international economic crisis, "the ensuing events may affect us all."

Latin America, the Mexican foreign secretary said at the OAS, has "fully paid its part" of the debt crisis' price.

The debt problem, he added, is but the manifestation of a global economic crisis in a financial system that "is showing the signs of exhaustion," and we must "change this financial system in an orderly manner or the change may take place in a disorderly and even more painful manner."

Speaking at an extraordinary session of the OAS Permanent Council, Solana identified the need to convert global detente to lasting and general peace, solve the debt crisis, and eliminate the threat the debt poses for the continent's security—the three challenges the continent must face, which demand the concerted action of all the countries in this part of the world.

"We must resolve the international economic crisis, because it is threatening worldwide stability," Solana said, adding that in this context, it is with "great interest and hope" that Mexico has received the U.S. Brady plan for dealing with the foreign debt.

He said the United States itself is facing a serious foreign debt problem comparable to the total Latin American debt. It is a phenomenon that has caused worldwide economic misrepresentations that have particularly affected the Latin American debtors.

"The international economic crisis, an in-depth analysis of which is overlooked if only the Latin American countries' debt is alluded to, has produced an unusual flow of finances between the different regions," Solana said.

In his speech, the foreign secretary defined the Mexican Government's position in view of the recent events in Central America, and he urged the American community to "act now" to achieve peace on the continental isthmus, because "this was not possible before" and "later may be too late."

Solana said: "We are facing a great opportunity for peace in Central America" and stressed that the challenge the region is facing demands a concerted continental effort and measures that support Central America's plans.

"We must make joint efforts to support Esquipulas II so the Costa Del Sol agreement allows Central Americans to recover peace and resume their development process.... Let us fulfill our responsibility and answer the Central American call."

Solana called the OAS to launch "a joint offensive to support the peace efforts. That offensive must facilitate obtaining resources so the Central American countries can offer productive jobs to those who have been involved in war-like activities."

Regarding the foreign debt, Solana said the international economic crisis, which includes the foreign debt, began 20 years ago as a result of the "sudden change" in relative prices and interest rate increases.

The foreign debt totals \$1.2 trillion, and the Latin American foreign debt composes a little over one-third of that. "Although the debt represents a heavy burden for the region, it is only part of the general problem," Solana said.

Similarly, he said, international economic disorders—caused by the U.S. foreign debt—have led to, among other things, an unprecedented net transfer of resources from the South to the North.

"Latin America alone transferred almost \$180 billion between 1980 and 1988. That negative flow of money has terribly damaged our consumption and standards of living," Solana asserted.

Regarding the third challenge our continent is facing, Solana said it is necessary to jointly face the threat against our security, which originates in the international economic crisis.

Solana added that the threat hanging over our security goes beyond conventional, military, and defense matters. "It deals particularly with the risk of harming democratic systems and social peace throughout the world."

The continuous deterioration of trade exchange terms, the increase of interest rates, and international recession have significantly harmed the standard of living for most people, and Latin America "is a painful example of that situation."

Foreign Secretary Solana asserted the debtors must recognize the efforts made by "various countries" to adapt to the international economic crisis.

Solana said: "We must unfortunately point out that sometimes (the efforts) made by some countries have not been recognized by the rest of the world. We are not exaggerating when we say that sometimes those countries' efforts have faced a hostile response."

Solana said there is an urgency that "does not seem to be spotted." He added that the dimension of the problem surpasses the reach of conventional solutions. "We must decisively respond to the dimension and urgency of the crisis," Solana stated.

Solana warned that if the debtors' impoverishment continues, "democratic governments could be questioned," some of which are only beginning to consolidate their democracies on the continent after many years of military dictatorships, Solana added.

Solana stressed "Mexico's interest in the Brady plan, designed by U.S. Treasury Secretary Nicholas Brady, and Mexico's interest in completing the general outline of the plan and taking immediate, applicable, specific measures that will turn the plan into a reality and a definitive solution to the crisis.

Solana reiterated Mexico's call to Canada to "recognize its geographical links with the rest of the continent" and asserted that Mexico "confirms its position in favor of having all the American continent countries join the OAS.

Solana said Mexico "knows the OAS has lost dynamism regarding the pace at which changes have taken place on the American continent. To correct that problem, we presented in the Cartagena Protocol the guidelines of the legal-political framework within which the OAS will recover the position it must occupy." Nonetheless, Solana admitted the OAS members must still modernize their joint plan of action so the OAS member states can overcome today's challenges and draw up their agenda for the next century.

Solana said the OAS must be a forum in which the continent's positions meet. "That is why we must not limit OAS member states' diplomatic actions within the forum and must not be discouraged when not all the member states agree with us."

Solana concluded by saying Mexicans are determined to modernize their country and that "as in the past, my country assumes without hesitation its responsibility as a member of the international community, as an active member of international organizations, and as part of the world's future.

Editorial on People's Skepticism About Justice
PA3003022789 Mexico City UNOMASUNO
in Spanish 21 Mar 89 p 3

[Editorial: "Skepticism and Hope Regarding Justice"]

[Text] If this country is hungry for something, it is for justice—not social justice but justice justice. It is hungry for the former, but it is particularly hungry for the latter, because social justice depends on the general feeling of justice; without justice justice, there can be no talk of social justice.

Many Mexicans know very well what it is to feel abused, mistreated, arrested, insulted, blackmailed, tortured, and even murdered by agents who represent the state's coercive apparatus or by common or higher court officials, without the slightest hope of being respected, protected, or at least brought to trial expeditiously and fairly. Suspicion of all forms of authority has almost always been endemic and automatic for Mexicans, but what has happened over the past few years regarding the judicial branch and everything it conceals behind its symbolic nature seems to be close to a deep crisis.

Statements by the attorney general, who was also a Supreme Court justice, will undoubtedly receive the disillusioned citizens' skeptical attention or the deep disregard with which they have (for how long?) received government statements on the subject of justice.

Because the person making statements about justice is the attorney who represents the government's legal interests, and because the attorney general is the guarantor of the *de jure* state that all good Mexicans dream of, something will stir in the people's souls, even though their souls are tempered by skepticism borne of the long wait. The people's attitude may change despite the fact that although what was said in Villahermosa was semantically correct, in practice it does not mean—for the time being, anyway—a great deal. How many speeches have been and are still being made about justice? How many promises of in-depth reform have been made? The subject and its variations have become sadly common place. In Mexico, unfortunately, speeches on the subject of justice have gotten to the point where they bore the masses.

Nevertheless, since feelings and hunger for justice—the feelings have reached the point of being hunger—have not been quelled, they are always burning and can easily be turned into hope for the people. The only thing is that this hope—to put it this way—is subject to a condition: Words must be turned into action.

The people are not very enthusiastic over the popular consultation forums, but the forums could be highly positive if that hope, which is smoldering and distrustful, could turn into collective action as a result of a sudden surge in political resolve.

El Salvador

Duarte Returns From U.S., Meets Reporters PA3003045089 San Salvador Canal Doce Television in Spanish 0357 GMT 30 Mar 89

[News conference with President Jose Napoleon Duarte and unidentified reporters upon his arrival at the Comalapa International Airport outside San Salvador on 29 March—recorded]

[Text] [Reporter] Mr President, how do you [words indistinct]?

[Duarte] They ran some tests on the magnetic [words indistinct] and then they gave me a dose of nitrate [word indistinct]. I have to return in approximately 30 days for a second test, a (?colostomy), and chemotherapy.

As compared to previous tests that showed that the cancer had decreased, I am now in about the same condition I was in during July of last year.

[Reporter] [Words indistinct]

[Duarte] I am personally determined to struggle to continue.

[Reporter] [Words indistinct]

[Duarte] I believe that the most important thing is that the democratic process has not been crushed in the country, and this gives the people hope that we can continue with this democratic process until we find a peaceful solution. The chances for this should improve every day. We should make more progress every day. We should try to achieve every day [words indistinct] be eliminated in our country, that the death squads be eliminated, that the violations of human rights be eliminated, that freedom of press be strengthened; in other words, that the democratic process be strengthened. That should be the path [words indistinct] so that we will not be left behind again or succumb to the presence of the death squads, the abuse of authority, and all those very harmful things. I wish President-elect Cristiani the best success and hope he will comply with democratic objectives, which is what the people want.

[Reporter] [Words indistinct] Cristiani will seek the consensus of all parties. Will the Christian Democratic Party [PDC] support this motion by ARENA [Nationalist Republican Alliance]?

[Duarte] I cannot answer that because I am not the leader of the PDC. I am the [words indistinct].

[Reporter] What about the attitude of President-elect Cristiani?

[Duarte] Well, it seems to me that all administrations have done something similar. I did the same thing at the beginning. I called upon all parties to seek a consensus. The important thing is what we achieve. If the objectives we seek are peace, democracy, an end to the death squads, and an end to the abuses of authority; if the objectives we seek are full democracy, an improvement in the standard of living and social conditions, and if we want the fair assumption of power, then we will continue to create a new consensus that will benefit all the people.

Doctor Comments on Condition

PA3003042089 Buenos Aires REUTER in Spanish
0337 GMT 30 Mar 89

[Text] San Salvador, 29 Mar (REUTER)—Salvadoran President Jose Napoleon Duarte's health continues to deteriorate; however, this will not prevent him from completing his tenure, his family doctor said today.

"The president, although facing deteriorating health, will easily be able to hand over power on 1 June," Dr Jose Luis Saca told REUTER.

A government spokesman said Duarte returned today from the United States, where he was treated for terminal cancer of the stomach and liver at Walter Reed Hospital in Washington.

Saca said new tests on Duarte in Washington revealed new tumors in the liver; however, they have not spread to other organs and thus, for the time being, there is no "danger of a fatal outcome."

Nevertheless, he admitted that Duarte's health has worsened, adding that he will undergo a general exam tonight.

In June 1988, when three-fourths of his stomach was removed, Walter Reed Hospital doctors predicted the 63-year-old Salvadoran President would live only another 6 months.

"The president has already beaten the odds" although the danger is still there, Saca said.

Duarte, one of the top PDC leaders, will hand over power to Alfredo Cristiani of the ARENA, who won the 19 March elections.

ARENA's Ochoa on New Cabinet, Government PA3003020989 San Salvador Canal Doce Television in Spanish 0300 GMT 29 Mar 89

[Report by Marco Antonio Guevara on interview with ARENA Deputy Sigifredo Ochoa Perez by unidentified reporters in San Salvador on 28 March after a private meeting between top ARENA leaders and Magistrate Mauricio Gutierrez]

[Text] [Guevara] Colonel Sigifredo Ochoa Perez today said that the new ARENA government will chose the most qualified people for the cabinet, without making political commitments and without nepotism.

[Begin recording] [Reporter] Will Cristiani draw from other parties to establish his cabinet or will he seek professionals per se?

[Ochoa] I believe he was very clear [words indistinct], but we are primarily interested in giving everyone an opportunity to participate in national politics. However, in filling posts, I believe he will seek the most qualified people.

[Reporter] Yesterday, a member of the Democratic Convergence said ARENA will (?focus on) three points: attitude toward dialogue, U.S. meddling, and amendments. What is your opinion?

[Ochoa] We have always been willing to hold talks with the Farabundo Marti National Liberation Front [FMLN]; we have said this on several occasions. That is one of the issues that concerns President Cristiani; he wishes to truly achieve peace, not in a demagogical manner but by giving the FMLN an opportunity to join the democratic process and civilian life. They will show goodwill, because for us this is the top priority; we want to find a true understanding among Salvadorans.

Also, our relationship with the United States will be as one between friends, not as one involving a subordinated country. As for human rights, the president has been clear: His priority is the human rights of everybody, not only of certain sectors. [end recording]

FMLN Leaders Discuss ARENA Election Win
PA3003033389 Mexico City EXCELSIOR in Spanish
22 Mar 89 pp 5-A, 23-A

[Report by Marta Anaya]

[Excerpt] The FMLN General Command will soon present a new peace proposal to ARENA and therefore calls for the formation of a broad coalition to face the new government, a coalition to include the PDC, which is now an opposition party after having lost the elections.

FMLN Commanders Ana Guadalupe Martinez, Salvador Samayoa, and Jose Maria Lopez read the FMLN communique and said that ARENA's reaching power definitely "means that the oligarchy will rejoin the military dictatorship."

The commanders also evaluated the last 5 years of the struggle against the Duarte government in El Salvador:

Salvador Samayoa said: "The last 5 years have been the most difficult. The only good thing is that after the elections, we are closer to defining the conflict in El Salvador.

"It has been a long and difficult war. The enemy was ill-defined, enjoying certain popularity among the people, making it easier for them to try and persuade them that our revolutionary struggle was a terrorist war when this was not the case."

Ana Guadalupe Martinez said:

"I believe that the events that began in 1981 are coming full circle now, but now there are many advantages.

"The PDC emerged from a popular struggle against the dictatorship. Now they are in opposition and can deal with the rest of the opposition as equals, and that is an advantage for us.

"The split within the democratic side is for the better. I believe we are now in the final stages."

When Martinez was asked how she would describe the PDC's role in El Salvador during the last 5 years, she replied:

"The PDC played a very negative role. It prolonged the war that would have otherwise been very much shorter, but it is possible that the PDC may deviate from their past behavior and play a different role than the opposition, favoring a solution to the conflict."

The FMLN commanders believed that ARENA's victory will bring back the death squads. The FMLN commanders believe that now the possibility of a military coup is greater.

Contrary to what might be believed, the FMLN commanders said: "We do not see a strong right wing. We see them more trapped politically and economically." The commanders also argued that they are not going to face the same oligarchy and Army they faced in 1979.

The message they have for ARENA states: "See what has happened? Is it not enough to have launched a military offensive?"

The commanders said that, nevertheless, the FMLN is ready for a greater military effort and reiterated that if anything clearly emerged during the last 2 months, it is that "we are a political majority in El Salvador." [passage omitted]

U.S. Counterinsurgency Plan Labeled 'Failure'
PA2903202289 (Clandestine) Radio Venceremos
in Spanish to El Salvador 0000 GMT 29 Mar 89

[Station commentary: "Failure of U.S. Strategy"]

[Text] When Napoleon Duarte was proclaimed president of El Salvador in 1984, the White House, State Department, Pentagon, and all the powerful circles in the

United States were stricken with euphoria and optimism. Duarte promised a social pact, a tolerant regime, economic and social reforms, and, most important of all, he promised peace.

All of these promises were only a means of achieving Washington's great objective: to control the revolution in El Salvador or, in other words, counterinsurgency. Five years have passed since then. In reality 8 years have passed since El Salvador became the place where the Reagan era's models of counterinsurgency, neodictatorship, and low-intensity warfare were implemented.

Washington's euphoria and optimism have completely vanished. The 19 March elections sealed the collapse of the Reagan administration's Salvadoran strategy. Two basic factors are at the root of the U.S. failure: First, the United States sought demagogic and politically unsound reforms. Duarte did not in any way improve the masses' extreme poverty and isolation. Second, the revolutionary, popular, and democratic forces' qualitative and quantitative progress was possible because the problems that led to the conflict are—today more than ever—still unresolved.

The 19 March elections resulted in an ARENA victory, and ARENA is the party that represents the most ultra-conservative oligarchic sectors. Washington has returned to its starting point. The \$3 billion spent on military advice and the genocide of tens of thousands of Salvadorans served no purpose whatsoever. It is all over. ARENA represents a return to the system used prior to 15 October 1979. In other words, it is a return to dictatorial control of all political, economic, and military power. This is the end, the sad end of the low-intensity war exercise.

U.S. General Harry Gordon Summer, a member of the Santa Fe Group, in his book on the mistakes the United States made in Vietnam, said the United States' concept of victory after its defeat in Vietnam can no longer be to achieve its enemy's unconditional surrender, as in World War II, but to achieve the political objectives for which it started the war. This is precisely the concept of victory used in low-intensity warfare. ARENA's victory, and the subsequent return to the old system, is obviously contrary to the objective of low-intensity warfare.

For Washington, of course, this defeat means that \$3 billion was squandered. For the Salvadoran people and Central Americans, it means razed towns, devastated economies, and the death of 70,000 people. The new U.S. Administration does not have a definite plan for El Salvador. What it has is an uncomfortable ally, ARENA, and a social time bomb about to explode.

The FMLN believes the Bush administration should study the new situation in El Salvador and the entire world in a realistic and pragmatic manner. The war in El Salvador continues and will continue as long as there is no change, no real change, to benefit the masses that are

struggling for that change. This is our new reality, and if the new U.S. Administration wants peace and stability in the region, it must establish a foreign policy that reflects that reality.

FMLN Reports on Recent Activities, Battles

Attacks in Chalatenango

PA2903193489

[Editorial Report] (Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 29 March broadcasts approximately 6 minutes of war reports.

The first of the reports, all of which are read by the station announcer, describes events in Chalatenango. The report states that on 27 March at 2100, FMLN units began attacking Atlacatl Battalion positions in (Plan del Picacho), La Ceibita, Amatillo, La Ceiba area, Tempisque Hill, and El Copinol, all of which are within Las Vueltas Jurisdiction, Chalatenango Department. The attack lasted for 4 hours, and when it concluded the Army's troops had been dislodged from their positions in La Ceibita and (Plan del Picacho). The "enemy" sent reinforcements to Tempisque hill and El Copinol 1 hour later, but "this effort proved useless" and air support had to be called in. The clash lasted until 0400 on 28 March, resulting in nine casualties.

The station announcer goes on to report that on 28 March at 1000, sniper units entered (Plan del Picacho) and inflicted three casualties on the Atlacatl Battalion. Another report from the same area indicates that on 27 March an Atlacatl Battalion unit entered a mine field set up by the FMLN in (Plan del Picacho), resulting in three Army casualties. All in all, over 2 days the FMLN claims to have inflicted 15 casualties on the Atlacatl Battalion.

The station announcer goes on to report that on 27 March FMLN units with rifles, rifle grenades, and home-made artillery attacked Army positions at the 5 November Dam. No casualty figure was given for this attack.

Meanwhile, the station announcer says, the Feliciano Ama Front stationed in Santa Ana reports that on 26 March FMLN units ambushed a six-vehicle military convoy transporting troops from the 2d Infantry Brigade's El Pipil Battalion from Metapan to Santa Ana. The ambush took place in Casitas, Texistepeque Jurisdiction, when two powerful Feliciano Ama mines exploded, inflicting eight casualties on the Army and totally destroying a military vehicle.

Power Grid Sabotage Resumed

PA3003005189 Panama City ACAN in Spanish
0029 GMT 30 Mar 89

[Text] San Salvador, 29 Mar (ACAN-EFE)—Orlando Quiteno, spokesman for the Lempa River Hydroelectric Executive Commission, has reported that in the past few hours the Salvadoran guerrillas have destroyed at least

10 power transmission towers, damaging seven high voltage lines in the northern and central parts of the country. Quiteno said that the new sabotage caused a 25-percent energy loss in San Salvador. The damage to the energy system caused traffic jams in San Salvador and a virtual paralysis in activities because of energy rationing.

The resumption of the sabotage against the energy system is accompanied by the resumption of rebel attacks against brothels, two of which were destroyed in the last 24 hours, although no casualties have been reported. The brothels reportedly have been attacked because it is believed that women are exploited there. In addition, urban guerrillas blew up a public bus in a neighborhood located north of San Salvador; no casualties have been reported.

Guatemala

Further on Pavon Prison Hostage Situation

'Assault Troops' Surround Prison
PA2903225589 Panama City ACAN in Spanish
2212 GMT 29 Mar 89

[Text] Frijanes (Guatemala), 29 Mar (ACAN-EFE)—Elite units of the Guatemalan Army this afternoon began to surround Pavon prison, which since 26 March has been in the hands of some 200 prisoners who are holding more than 500 people hostage.

The units were deployed to Pavon, 30 km southeast of the Guatemalan capital, to apply pressure on the prisoners, who today refused to sign a document containing guarantees drafted by the mediation commission.

Instead, the prisoners presented a counterproposal to the mediation commission—which was established by President Vinicio Cerezo himself to "prevent bloodshed"—several commission members said as they left the penal center.

A possible peaceful solution that was hoped for yesterday is again "on hold" today because of the rebels' refusal to sign the document.

Human Rights Attorney General Gonzalo Menendez said that "the solution to the problem is again at an impasse, because the government minister must analyze the prisoners' proposal."

The uprising, which began at 1100 (1700 GMT) on 26 March and which includes demands for better jail conditions, has left at least 12 dead and some 20 injured, according to police spokesmen.

Some 150 Honor Guard members, "all experts in disorders and uprisings," have been positioned near the prison under the command of a lieutenant colonel and five other officers, according to statements made to ACAN-EFE by a top military officer, who asked to remain anonymous.

The assault troops are armed with batons, tear gas, gas masks, and machineguns.

"My men are capable of dealing with disorders and have been prepared for cases such as this one," the military chief said.

The rebellious prisoners, who have control of 65 percent of the prison installations, remain inflexible and refuse to release the hostages and lay down their weapons.

Despite the mediating commission's optimism, after 72 hours the rebellious prisoners presented a new proposal today at noon, Human Rights Attorney General Gonzalo Menendez said.

Pavon prison houses 1,500 inmates.

'Narcoterrorism' Possibility
PA3003001489 Guatemala City EL GRAFICO
in Spanish 28 Mar 89 p 7

[Text] Carlos Chen, a spokesman for the National Police, did not rule out yesterday that the prisoners' rebellion at Pavon Prison is the result of international narcoterrorism.

The police spokesman backed his statements by pointing out there are prisoners from Nicaragua, El Salvador, South America, and other nations among the prisoners in rebellion.

Carlos Chen also emphasized in his statements that the prisoners violated Article 473 of the Penal Code, which refers to rebellion: "Prisoners who stage a rebellion and disrupt order or discipline in a penitentiary will be sentenced to 1 to 3 years in prison."

The police spokesman added: "The leaders of the rebellion will be punished with the aforementioned sentence, but it will be increased by one-third."

He added that the prisoners also violated Article 470 of the Penal Code, which refers to escapes: "He who is under arrest or condemned and escapes through violent means, or tries to escape, will be sentenced to 3 months to 2 years in prison."

100 Prisoners Evade Rioters
PA3003003789 Guatemala City Cadena de Emisoras
Unidas in Spanish 2330 GMT 29 Mar 89

[Report by Conrado Monroy]

[Text] The following is a last-minute report. One hundred prisoners have succeeded in evading the surveillance of the armed prisoners who are inside Pavon prison. After overcoming a series of obstacles and risking their lives, 100 prisoners escaped from where they had been shut in and went to the Pavon prison's administrative offices for their own safety. Once they arrived, the prisoners asked prison authorities to transfer them elsewhere.

After the prisoners were properly identified at the prison warden's office, they were taken to a Zone 18 penitentiary in Guatemala City.

We repeat: One hundred prisoners escaped and sought protection from the authorities, who immediately sent them to a penitentiary in Zone 18 for their protection.

According to the prisoners, the rioters continue to maintain their position that the government must fulfill all their demands. The rioting prisoners shot at the escapees, thus frightening the children and the elderly who remain inside the prison.

'Final Meeting' Scheduled

PA3003042589 Guatemala City Cadena de Emisoras Unidas in Spanish 0317 GMT 30 Mar 89

[Text] Listeners, we have a last-minute report from the Pavon prison. A new round of negotiations between the mediating commissions representing the government and the rioting prisoners has ended. The two parties agreed to hold a final meeting tomorrow at 0830 to find a solution to the prison problem.

Human Rights Attorney General Gonzalo Menendez said that if at 0830 tomorrow the prisoners refuse to sign a document promising to lay down their weapons and to release the hostages in exchange for important offers made by the government, the dialogue will break off, although the government mediating commission will continue to be vigilant in finding a solution to the problem, particularly because of the disastrous condition of some of the women and children who have been held hostage since the riot began at noon on Sunday, 26 March.

Government Agrees to Some Demands

PA3003034689 Panama City ACAN in Spanish 0320 GMT 30 Mar 89

[Text] Guatemala City, 29 Mar (ACAN-EFE)—Human Rights Attorney General Gonzalo Menendez has reported that the Guatemalan Government tonight decided to agree to some of the demands presented by approximately 200 prisoners who have been rioting in a Guatemalan prison since Sunday, 26 March, in order "to avoid bloodshed."

The prisoners, who are holding over 600 people hostage, including 100 children, asked the government to dismiss the prison authorities and to revise their sentences, among other things, before they would surrender. Menendez said that the riot, which has claimed 12 lives and has left over 20 people wounded so far, could end on Thursday 30 March.

Inmates Agree To Release Hostages

PA3003133989 Panama City ACAN in Spanish 1257 GMT 30 Mar 89

[Text] Guatemala City, 30 Mar (ACAN-EFE)—Approximately 600 people who have been held hostage since Sunday by 200 rioting prisoners in a Guatemala City jail will leave the prison early today after the government agreed to meet a number of demands to avoid bloodshed.

The rebellion, which has lasted for approximately 108 hours, left at least 12 dead and over 20 wounded until Guatemalan President Vinicio Cerezo appointed a mediating commission headed by Gonzalo Menendez, attorney general for human rights.

The prisoners who rebelled at the Pavon prison farm, about 30 km southeast of Guatemala City, demanded that the government change the jail's administrative personnel, replace guards, and bring in new registry personnel [personal de registro], among other things.

The government agreed to the demands and also pledged to send a document to Congress to support "at least a 5-year reduction of sentences for all prisoners in Guatemala."

The document, which was handed to the prisoners by the attorney general for human rights, provides that the prisoners must turn in their weapons and release the hostages 60 minutes after signing it.

"Because it is so late, we will wait until tomorrow (Thursday) for the prisoners to sign the document and thus begin the evacuation of the hostages," Menendez said.

The rioters refused on Thursday afternoon to accept a government proposal and they presented a new proposal. For a time it was thought this would unleash a bloody outcome because heavily armed elite Guatemalan Army units began to surround the prison.

Under the command of a lieutenant colonel and five other officers, approximately 150 Honor Guard soldiers, all experts in riot operations, were waiting for the order to go into action, according to a high-ranking officer who asked that his name not be revealed.

The troops arrived with batons, tear gas, masks, and machineguns. The tension affecting the hostages, the rioters, the prisoners not involved in the riot, and hundreds of relatives outside the prison walls increased when the authorities decided to cut off food, water, and electricity to pressure the inmates.

As a result of this, the people inside the prison, especially the women and children, began to suffer from severe dehydration, which forced the rioters to release more than 10 hostages.

Despite the panic that many hostages fell victim to when they realized that days were passing with no solution in sight, 20 hostages and 100 inmates not involved in the riot were able to escape from their captors.

The Red Cross attended to the escaped hostages outside the prison and the prisoners were immediately taken to another prison.

Pavon prison houses approximately 1,500 prisoners.

Inmates Accept Government Offer

PA3003164889 Guatemala City Cadena de Emisoras
Unidas in Spanish 1617 GMT 30 Mar 89

[Text] The rioting inmates at the Pavon prison farm, the largest penitentiary in Guatemala, have accepted the government's offer and agreed to immediately put down their weapons and release the hostages that they have held since Sunday.

A few minutes ago, human rights attorney Gonzalo Menendez de la Riva traveled to Guatemala City to meet with Government Minister Roberto Adolfo Valle Baldizán to prepare the final document that the inmates will sign at approximately 1100 [1700 GMT].

Another last minute report indicates that the hostages may be released today at 1100. Municipal and volunteer fire fighter vehicles and National Police and General Directorate of Prisons' buses will be used to take the almost 500 hostages to Guatemalan Red Cross centers where they will receive medical treatment. Many of them are seriously ill.

Cerezo Comments on Salvadoran Election Results

PA3003033289 Guatemala City LA HORA in Spanish
28 Mar 89 p 4

[Text] "The Nationalist Republican Alliance [ARENA] must demonstrate it will not be extreme rightist, fascist, or a promoter of repressive actions," said President Vinicio Cerezo Arevalo, referring to the elections held in El Salvador that resulted in the victory of the conservative organization that promoted Alfredo Cristiani and the defeat of the Christian Democratic Party.

"The people made their decision—which confirmed that the democratic system was operating—causing the defeat of Napoleon Duarte's government and party, which were facing problems they unfortunately were unable to overcome," said the Guatemalan president.

Cerezo Arevalo emphasized that the results of the Salvadoran elections were a victory for democracy and a rejection of the violence promoted by clandestine organizations that, according to Cerezo Arevalo, must consider that the majority of the people support legitimate processes.

Concerning the victory of the conservative ARENA, the president said it has been challenged to demonstrate with its actions that it does not have inflexible positions that could only result in the division of society.

"We must trust the decision of the Salvadoran people, because they made a decision that basically supported the democratic process and rejected violent practices that are inadmissible for the majority of the Salvadoran people," the president emphasized. He added that he has already communicated with the elected president, Alfredo Cristiani, to whom Cerezo transmitted the Guatemalan administration's official greetings and promises of cooperation.

Nicaragua

Alfredo Cesar on U.S. Aid; To Return Mid-May

PA2903211089 Managua Radio Sandino in Spanish
1956 GMT 29 Mar 89

[Text] Washington—A leader of the Nicaraguan counterrevolution today revealed to local and international media that the U.S. Government had twice demanded that the contras return to Nicaragua before the United States would continue providing them with financial aid. Alfredo Cesar, executive member of the so-called Nicaraguan Resistance [RN], said State Department members first informed the seven members of the contra leadership of this decision 2 weeks ago and then reiterated this demand more forcefully on 24 March in Miami.

Cesar, who announced he will return to Managua in mid-May, said that even if it was just a suggestion, the U.S. State Department ended up making too strong a suggestion.

According to Cesar, the White House message is that it will not support the political activities of the contras in exile too much longer. Those activities have been financed with \$4.8 million a year [as heard] during the last few years. According to official reports, that money was used to maintain the RN offices in Miami and Costa Rica.

The U.S. State Department suggestion is made at the same time the U.S. Congress agreed to grant \$4.5 million per month in humanitarian aid to the contras living in Honduras over the next 10 months.

Central American analysts believe that Honduras' possible refusal to keep the contras within Honduran territory for an indefinite period of time prompted Washington to put pressure on the RN's elite members to return to Nicaragua soon.

The U.S. intention regarding the Central American peace plan is to continually exert pressure on the Nicaraguan Government until the Nicaraguan elections in February 1990.

Alfredo Cesar stated that the possible return of the contras and their political elite to Nicaragua shows the new U.S. policy requires all opposition activities to be carried out inside Nicaragua at the core of the political arena.

Cordoba Devalued Again to 6,000 Per Dollar

PA3003122689 Managua Radio Sandino in Spanish
1200 GMT 30 Mar 89

[Text] The value of the cordoba keeps dropping in relation to the dollar. As of today, the cordoba is valued at 6,000 cordobas to the dollar. This new devaluation, the fourth this month, has resulted in an increase in urban bus fares.

LA PRENSA Director on Media, Elections

PA2903160989 Managua Radio Catolica in Spanish
1800 GMT 28 Mar 89

[Interview with Violeta Barrios de Chamorro, director of the newspaper LA PRENSA, by Ernesto Ugarte; date and place not given—recorded]

[Text] [Ugarte] What is your opinion on the resumption of Radio Catolica's "Church" ["Iglesia"] newscast, which was suspended for quite some time by the Sandinist government?

[Chamorro] I am very pleased, because I think that in this country no media should be closed. I think that when a media is closed it is a rejection of democracy and freedom. We have been subjected to a dictatorship, and dictators are afraid of words. Now it seems Mr Daniel Ortega spoke with his eminence, our beloved cardinal [Miguel Obando y Bravo], and the cardinal has been given permission to return to the air today. That is what I have been told. I believe it was good that Mr Ortega gave permission to the cardinal to resume broadcasting.

I remember what happened before, when he closed the newscast and later let it reopen. How long ago did he close your newscast?

[Ugarte] Last July.

[Chamorro] That's right, at the time of the Nandaime plan.

[Ugarte] Yes.

[Chamorro] Very good. I believe it should not be closed again because everyone has the right to express himself, and if he has [word indistinct] all the better. One has to help the country develop democratization and let the people hear what anyone wants to say on Radio Iglesia [as heard], Radio Corporacion, and other stations, even the Sandinist system.

[Ugarte] Because of an agreement between President Ortega and Cardinal Obando y Bravo, 10 of the 14 priests expelled from the country were allowed to return. What is your opinion of this decision?

[Chamorro] I believe Daniel Ortega's government has not complied as it should have with agreements reached in San Jose, Esquipulas, San Salvador, and other places. Most recently, he agreed in El Salvador to declare a complete amnesty, and an amnesty should include complete freedom for those who are in jail. I also believe that if the priests can return, why can't all 14 return instead of just 10? I believe Mr Daniel Ortega's heart may grow a little bigger, and perhaps today, tomorrow, or the day after tomorrow he will grant complete freedom for those [words indistinct].

[Ugarte] On the political level, you have been mentioned as a suitable candidate for president of the Republic. This idea is gaining strength with various political groups, private businesses, and labor groups. Based on this, Mrs Violeta, are you willing to assume responsibility if you were to be nominated for president?

[Chamorro] Frankly, this is surprising. I had heard something about it, but it is still a surprise because it is not serious. That is something that is not just up to me; it is up to the political parties and the people who want that. There is nothing serious about that right now. It is still a surprise.

It is true that I helped the Sandinist government in 1979 when I was asked to help this country develop democratization. I helped as long as we were [word indistinct] without any intervention. I asked that we be friends with everyone, but what happened? There was treason, [word indistinct], and disagreement. This is what has happened in this country over the past 10 years because we have lacked a good government. We are not Marxists. We have a different view. This is the [words indistinct] in Nicaragua.

We hope Daniel Ortega will abide by the amnesty he agreed to. I am not only talking about the amnesty, which was the basic thing, but about the fact that he should allow all political parties to register, express their views, and take to the streets, like he takes to the streets, without having to have permission. Perhaps then this country will have true democratization. But as long as he does not abide by that and remains in command, Nicaragua will have no freedom.

I want to take advantage of this opportunity to say that because Ortega gave permission to the cardinal for 10 priests to return, I think the other priests should return without having to ask for permission. We are not going to be subjected to having to ask for permission.

I think Ortega must abide by the total amnesty he recently agreed to in San Salvador so we can have true democracy and peace in this country. He must comply with what he signed, otherwise he would be violating an agreement signed by four other presidents; he would be disregarding the talks that he held with other presidents, such as Carlos Andres Perez.

In sum, he is not complying with what he agreed to. What he is doing is making the country terribly anxious.

[Ugarte] I apologize for insisting, but [words indistinct] opposition united in this country, would you be willing to run, would you think it over, or would you take your time and think about it? In other words, do you rule out this possibility? How would you feel if the opposition, united, nominated you for candidate at a (?convention) or meeting?

[Chamorro] I cannot tell you anything about that. I am sitting at this desk. I am giving you my opinion. I am expressing my views. I will not enter politics. That remains to be studied later. [Words indistinct] we will talk, if not we will not.

[Ugarte] What would you like in a new government?

[Chamorro] The new government I would like would be the one we pledged to have 10 years ago: a Nicaraguan Government without interference from any ideology. A government among Nicaraguans only. However, what happened? [Words indistinct] instead of Nicaraguans running the country, aside from the junta members, there were others interfering. I have a piece of paper here in which I stressed that we wanted to be everyone's friends. We wanted to be friends with the world, but with no intervention.

We could be friends with the Soviets, the Bulgarians, the Cubans, and the North Americans, everybody, but Nicaraguans had to run the country. We did not want any foreign ideologies.

Unfortunately, the government now is no longer Sandinist [words indistinct] now they say they are Marxist-Leninists. We are not Marxist-Leninists. We are people with a different mentality. Nicaraguans are very Catholic. This is one of the most beautiful beliefs we have. This comes from our hearts.

There was a demonstration of faith on Good Friday that did not need any [words indistinct] or be taken by truck from one place to another. More than 150,000 people gathered at the plaza. This is something that comes from the Nicaraguan people's hearts.

We want our government to be fully democratic, a government where you can choose whomever you want.

[Ugarte] What do you have to say to opposition members who are willing to participate in the 1990 elections?

[Chamorro] Look, I [words indistinct] We are calling for unity. Unity is strength. Yet we cannot really blame anyone for disunity because we got ourselves out of one dictatorship and into another. It is very difficult to achieve unity when there is a dictator. Even though it is said there are 14 opposition parties, they may merge into a smaller number later. But if all politicians are seeking

the country's true democratization, there needs to be total unity to choose those who will determine the country's destiny. At least we will be [words indistinct.]

[Ugarte] There are countries allied with Nicaragua that are interested in democracy. What should their position be regarding this issue?

[Chamorro] I am grateful to those countries. I especially thank President Arias and all the Central American presidents. I even thank Daniel Ortega. The problem is that Ortega has not kept his promises. That is our little problem right now.

[Ugarte] The president discussed constitutional reforms at the Legislative Assembly prior to the Holy Week holiday. What do you think of this current debate regarding reforms to the Electoral Code?

[Chamorro] It was my understanding that the political parties had already presented a set of reforms to the government. There is really nothing else, other than presenting reforms, that these parties can do. Ortega then invited the 14 opposition parties to listen to his message. I am under the impression that Ortega was not pleased with the political parties' proposed reforms. He therefore presented his own set of reforms, ones ensuring that he will be the one in charge.

There is a lot we can do. I understand the political parties said we need to amend the Constitution. We must make many changes. We must also prevent parties from [words indistinct] power. The [words indistinct] should not come from President Daniel Ortega. It should be more unbiased.

We need to find a way to issue voter identification cards. The government may not have enough time to issue those cards. The machinery.... [changes thought] I think this process of issuing identification cards is like a machine. It has been a long time [words indistinct] new machinery for issuing those cards. Perhaps there is not enough time to do this. But we can have an honorable, respectable voting process. There should not be fraud or theft in the elections. We must create [words indistinct], so that everything does not belong to the state. It is incredible. This government is only for the Sandinists. If Ortega allows total freedom of the press and allows television stations other than the two state-controlled stations.... [changes thought] One of these stations originally belonged to the state and the other was seized by the state. Why does the government refuse to allow someone else to open a television station here? Why should we be subjected to watching only two television stations? This is not democracy.

U.S. Pilot, Small Aircraft Detained 25 Mar
PA2903235689 Managua Domestic Service in Spanish
2313 GMT 29 Mar 89

[Foreign Ministry communique issued on 29 March]

[Text] The Foreign Ministry hereby reports that at 1100 on Saturday, 25 March 1989, an Aerocommander aircraft with a damaged fuel tank made an emergency

landing at the Puerto Cabezas Airport, in northern Zelaya. The small aircraft was piloted by two persons, who said they were 37-year-old U.S. citizen (Arthur Burton) and (Adis Ismael Castillo Canur), 38 years old and a Belizean.

After a routine check was made, it turned out that neither of the two crewmen had any identification papers, no documentation as to the ownership and national origins of the aircraft they were piloting, nor any flight plans, as required by international law. All we know is that the aircraft's registration number is R-61-PT, as painted on the aircraft.

In view of the irregular and strange case this represents, the Nicaraguan authorities have decided to detain the two crewmen of this aircraft until their identities, the ownership and national origins of the aircraft, and the reasons they were traveling without any type of documentation are explained.

The Nicaraguan Government has notified the U.S. and Belizean Governments of this case and have asked for their cooperation in resolving this situation. Managua, 29 March 1989

EPS Reports Contra, Honduran Army Attacks
PA2903121789 Managua BARRICADA in Spanish
28 Mar 89 p 5

[Text] A mercenary group faithful to the warmongering policy of former Somozist Colonel Enrique Bermudez attacked an IFA truck belonging to the Interior Ministry at 0900 on 26 March in El Jicote, southeast of Wiwili. According to an EPS [Sandinist People's Army] bulletin, the contras, who left behind two of their wounded, killed an Interior Ministry worker and wounded five others.

The bulletin also reported that between 21 and 25 March, the Honduran Army carried out harassment attacks on EPS border posts. The report adds that there have been 39 such attacks on Nicaraguan positions in the past 3 months.

Honduran troops harassed the border area of Las Piedras, north of Teotecacinte, Nueva Segovia Department, with large-caliber machineguns on the morning of 21 March. That night, the Honduran forces attacked a border post in Guayacoli, east of Teotecacinte.

On 24 March, Honduran soldiers harassed the border region of Murupuchi, north of Teotecacinte, Nueva Segovia Department, with 81-mm mortar fire and RPG-7 rockets. The next day, Honduran soldiers simultaneously attacked the border areas of Loma Las Mesas and Los Esclavos Hill, both southeast of Teotecacinte.

Contras Attack Jinotega Hamlet

PA3003024289 Managua Radio Sandino in Spanish
1930 GMT 29 Mar 89

[Text] Approximately 20 counterrevolutionaries last night attacked La Paz del Tuma, a small hamlet 35 km northwest of Jinotega, and murdered a civilian and wounded another. Facundo Lopez Picado was killed and Carlos Gonzalez Dixon, a Miskito, was wounded and taken to the Jinotega hospital. A small self-defense militia forced the attackers to flee and pursued them through the outskirts of Bonetillo Hill. The counterrevolutionaries operating in the region have murdered seven civilians in 1 week.

Panama

Peasant Reportedly Killed by U.S. Grenade

PA2903153289 Panama City MATUTINO in Spanish
29 Mar 89 pp 10, 12

[Text] The irresponsibility and lack of professionalism of U.S. military personnel stationed in Panama caused the death of another Panamanian citizen yesterday. Peasant Rodrigo Flores Martinez, 39, was killed instantly when he stepped on a M-203 grenade in El Escobal, Colon Province.

Flores, who was walking on a road near the U.S. Army firing range in Pina, apparently stepped on the grenade, which exploded and sent him flying through the air, cut to pieces. His 11-year-old son Euclides reported the tragedy to the authorities. The boy said: I heard an explosion and saw my father fly through the air. I could do nothing, except try to collect the scattered bits of his dismembered body.

Flores leaves a wife and six small children, who will never be able to understand how a weapon of war killed their father, who was only trying to make a living.

A few weeks ago, another Panamanian citizen lost his life in similar circumstances on a firing range in Panamanian territory, also because of the irresponsibility of U.S. military personnel. That particular incident occurred in Arraijan. Such incidents have occurred regularly since U.S. forces have been occupying this territory. Yesterday's incident at El Escobal has once again stained the hands of the U.S. authorities with blood.

Regarding to the Arraijan incident, the Panama Defense Forces filed a protest with the U.S. authorities, but it was not even acknowledged.

The U.S. military forces' actions have continued to humiliate the Panamanian homeland and destroy human lives.

ADOC Reaffirms Position on Military's Role
PA2903183689 Panama City LA ESTRELLA DE PANAMA in Spanish 29 Mar 89 p 1

[Statement issued by the Civic Democratic Opposition Alliance in Panama City on 28 March]

[Text] In response to a 26 March communique signed by an FDP [Panama Defense Forces] spokesman, the ADOC [Civic Democratic Opposition Alliance] presidential ticket has reaffirmed its position regarding the FDP, a position that ADOC's first vice presidential candidate had already stated on behalf of his political party.

1. Panama requires a highly professional military for its national defense and security. For this reason, ADOC's government plan calls for respect for the institutional integrity of the FDP under legitimate civilian authority.

2. Our country's democratization requires authentic elections through which the people may freely express their will. It needs full respect for honest election results. Democratization also requires an honest concerted effort between civilians and soldiers to make sure the military is integrated into Panamanian society as a professional institution under the Executive Branch, and that it will intervene in party politics in no way other than the casting of votes, as the Constitution (Article 305) establishes.

3. This concerted effort must lead to a national agreement on the new professional and constitutional role that the military must play, and on the retirement of the current FDP commander by establishing a term in office that no commander may exceed. This agreement would lead to a revision of Law 20. The national reconciliation that this agreement would make possible—thus contributing to the reconstruction of our country—cannot be produced by calling for trials.

4. ADOC has firmly decided to wage a struggle at the polls because it is certain it will emerge victorious from the 7 May elections, thanks to massive support from the Panamanian people. As the National Civic Crusade and the democratic opposition parties have stated in the past, ADOC is prepared to promote a concerted effort between civilians and soldiers. This is as indispensable as the elections for Panamanians to find a democratic and peaceful solution to the current crisis, without additional suffering for the people or more serious danger to our nation.

Panama City, 28 March 1989

Guillermo Endara Galimany, presidential candidate

Dr Ricardo Arias Calderon, first vice presidential candidate

Guillermo Ford, second vice presidential candidate

Arias Calderon on Solis, Noriega Statements
PA3003041689 Panama City ACAN in Spanish 2112 GMT 29 Mar 89

[Text] Panama City, 29 Mar (ACAN-EFE)—Ricardo Arias Calderon, opposition candidate for first vice president of Panama, expressed concern today over what he called the "partisan attitude" of General Manuel Antonio Noriega and President Manuel Solis Palma concerning the 7 May elections.

Arias Calderon criticized the chief of the FDP and Solis Palma for the attacks they launched yesterday against the opposition and said that both "showed themselves fearful and weak in the face of the overwhelming majority of the Panamanian people, who are determined to vote for the ADOC."

Noriega, Solis Palma, ministers, high-ranking military officers, and candidates of the progovernment National Liberation Coalition (COLINA) met yesterday at a military base in the country's interior to hold a general state council.

Solis Palma warned that Noriega "is not leaving," and that "whoever is not with us, we must eliminate," while the general said that the FDP "will not be passive witnesses to a victory that is not COLINA's."

Arias Calderon said that Noriega and Solis Palma were speaking in "strictly partisan terms" and that "they were openly violating the Constitution."

He added that the Panamanian Constitution prohibits the FDP from participating in party politics, except for casting their votes, and "prohibits the Executive Branch from diverting state resources in favor of a party ticket."

According to Arias Calderon, yesterday's speeches revealed "a Noriega who acts as if the FDP were his personal property."

The candidate said that Noriega forgets that since there have been four generals in Panama in the last 8 years, "nothing prevents there being a fifth one, because the military institution goes beyond the tenure of any one commander in chief."

Arias Calderon insisted that the attitudes of Noriega and Solis Palma show "sectarianism" and "intransigence" and that the president's attitude "is the worst, because he speaks of eliminating those who are against him."

The ADOC candidate for first vice president then asked: "What kind of elimination is Mr Solis talking about? Is he threatening us with death or imprisonment?"

According to Arias Calderon, Noriega's and Solis Palma's speeches are the "clearest proof that we are living under a dictatorship and that—above all—we are living under a dictatorship that feels threatened by the Panamanian people."

Arias Calderon expressed hope that other FDP and civilian government members will "reconsider" their positions.

Solis Palma Meets Education Ministry Leaders
PA2903211189 Panama City CRITICA in Spanish
29 Mar 89 pp 2, 18

[Quotation marks as published]

[Text] Manuel Solis Palma, minister in charge of the Presidency, has said that "the upcoming elections are a responsibility for those of us who believe Panama must not become another star in the U.S. flag." Solis made the statement while visiting yesterday at the Education Ministry, where he met with the minister and deputy minister and the directors and deputy directors of the educational institution's administrative units.

In 20 years of government—Solis Palma said—some sectors have been angered, and there have been differences between government officials. A similar situation emerges in the community, but this attitude could have a negative effect on the country because the nation's freedom, sovereignty, and independence are at stake."

At the Education Ministry, the first of a series of visits to government institutions, Solis Palma also referred to the domestic and foreign disinformation that has victimized our country."

On this subject he said: "We cannot disregard the level of disinformation that exists at the domestic and international levels, which has created confusion in the country." He added: Many people are confused, and without stopping to measure the consequences of their actions, they seek revenge over personal disputes, which is an attitude that could endanger the country."

Ritter on Canal Toll Increases, U.S. Relations
PA3003000589 Panama City ACAN in Spanish
2312 GMT 29 Mar 89

[Text] Panama City, 29 Mar (ACAN-EFE)—Panamanian Foreign Minister Jorge Ritter today said his country opposes a U.S. plan to increase canal tolls, "because that would hurt Latin American countries."

He said Panamanian-U.S. relations "are virtually nonexistent" and rejected statements by William Gianelli, U.S. president of the Panama Canal Commission [PCC], that the Panamanian Government is harassing PCC employees.

Ritter said the United States is trying to block the participation of Panamanian members of the PCC Board of Directors at board meetings "only because of our opposition to the toll increase."

Among the obstacles, the minister mentioned Washington's denying visas to Panamanians who plan to attend board meetings in the United States.

He also mentioned that Panamanian Ambassador Juan Sosa, who is not recognized by the current Panamanian authorities and who remains loyal to deposed President Eric Arturo Delvalle, has been invited to those meetings.

The PCC is currently studying the possibility of raising canal tolls, although the exact increase has not been mentioned.

The last increase entered into effect in 1983; since then, the vessels transiting the canal pay \$1.83 per ton of the vessel's displacement when loaded and \$1.46 per ton when they only have ballast.

Panamanian sources have asserted that various Latin American countries' foreign trade depends to a large extent on canal operations and that a toll increase would reduce the competitiveness of their export products.

Ritter hinted that although Panama opposes the increase, it cannot do very much—except protest—because of the bad state of relations with Washington.

Ritter said: "(Relations) could not be worse, and we cannot accept the conditions proposed by the United States (to improve them)."

Washington does not recognize the current Panamanian Government headed by Manuel Solis Palma and continues to recognize deposed Eric Arturo Delvalle as the Panamanian president. This is one of Washington's measures—thus far fruitless—to force the withdrawal of General Manuel Antonio Noriega from the FDP.

As a result of the quarrel, the United States maintains severe economic sanctions against Panama and the contacts between the two governments are suspended at all levels, including contacts for the joint administration of the Panama Canal.

Gianelli, president of the PCC Board of Directors—which is composed of five U.S. citizens and four Panamanian citizens—said yesterday in Washington that Solis Palma's government is conducting an "increasing intimidation campaign" against PCC employees.

Ritter described Gianelli's statements as "false" and added that the PCC Board of Directors has been politicized to such an extreme that the statements made by its president have "surpassed" the attacks of the U.S. State Department against Panama.

Panamanian Deputy Foreign Minister Jose Maria Cabrera described Gianelli's statements as "stupidities."

The PCC employees are trapped between two seas: While the United States refuses to pay to the Panamanian Government the taxes the United States withholds from PCC employees' salaries, the Panamanian Government refuses

to issue tax clearance certificates to those employees, which prevents them from obtaining valid license plates and conducting a number of other transactions.

Ritter said: "Unfortunately, the PCC employees are victims of the illegal retention of their taxes, which only confirms that the United States wants to endanger the efficiency of the Panama Canal."

Foreign Minister Ritter made these statements to the press after a meeting with Panama Canal Deputy Administrator Panamanian Fernando Manfredo, several FDP General Staff members, PCC Board of Directors members, and other officials, in which they studied the situation between the two countries.

Attorney General on Spadafora Case, Media
PA2903200189 Panama City Circuito RPC Television in Spanish 2300 GMT 28 Mar 89

[Text] Panamanian Finance and Treasury Ministry authorities this afternoon formally charged Roberto Dominguez, Eric Arturo Delvalle's consul in Miami, with embezzlement.

The charges were presented by Vicente Arosemena, representing Treasury Minister Orville Goodin, and received by Attorney General Carlos Augusto Villalaz.

In a message sent to Attorney General Villalaz, Minister Goodin expressed interest in the charges against Roberto Dominguez, who is charged with improper use of Panamanian funds. Those funds cannot be deposited in the national treasury because of the current quarrel with the United States.

Attorney General Villalaz was asked by reporters about current local events.

[Begin recording] [Reporter] The Inter-American Commission on Human Rights recently said it is necessary to reopen the Spadafora case. Is there any possibility that the Attorney General's Office will reopen that investigation?

[Villalaz] We have been very clear on this case, and have been backed by the Supreme Court of Justice. The Supreme Court—which is the highest authority in the Republic of Panama as far as jurisdiction is concerned—decided to dismiss the charges against those who were indicted and to order a stay in the proceedings. Consequently, the Republic of Panama—which, according to jurisdictional law, is represented in this case by the judicial branch and the Attorney General's Office—cannot bring this case into court again unless it can first meet the requirements stipulated by Panamanian law.

The Inter-American Commission on Human Rights can suggest that we should reopen the case, but to do so we would first have to fulfill the requirements set forth by the American convention on the matter. According to a very specific article in that convention, Panama, in this case,

would have to declare its adherence to the convention. This adherence would have to be expressly declared, and this action would have to be taken by the executive and legislative branches. I would like to point out that only four Latin American countries have adhered to this convention. The United States itself is one of the countries that has not adhered to this convention.

[Reporter] One week ago, the Panamanian government and justice minister said the Attorney General's Office was now in charge of the problem of the closed media.

[Villalaz] The problem of the closed media has been extensively explained to local and foreign reporters. We have said that the Attorney General's Office must begin proceedings against any media that transmit or spread biased news reports tending to destroy the national economy, disrupt public order, or incite the commission of crimes, which are fully described as crimes by the Penal Code. If a medium is used as a means to commit a crime, then the penalty prescribed by the Judicial Code is enforced: The medium is temporarily closed. We cannot allow the media to be used to incite people to break the law; we cannot allow the media to be used as an excuse for committing crimes.

[Reporter] [Question indistinct]

[Villalaz] There are several of these proceedings. Some are in the hands of the public prosecutors and others are in the hands of the courts, but all of them are being processed according to the precepts of the Judicial Code. I have learned that some lawyers—who of course have the right to do so—have asked for a ruling on what is known as a justiciable controversy [incidente controversia], which is an issue on which two parties disagree. The lawyers of the media that were temporarily closed have filed suit—at the appropriate place—against the Attorney General's Office which, acting in defense of society at large, had ordered that these media be temporarily closed. This office, based on the articles of the Judicial Code—No 2009, if I remember correctly.... [changes thought] The Judicial Code will prove that those media have been legally closed. Consequently, if the judiciary informs us that this is their finding, we, as public prosecutors, will have to follow through on the process. Later, according to the norms of procedural law, it will be determined if those media, as the object of a crime, will become public property. The same thing happens when someone uses a vessel to transport marijuana or cocaine. The vessel is confiscated and becomes the property of the state. We will see in due time if this is warranted.

Weekly Review of Political Situation
PA3003032789

[Editorial Report] The following is a review of material from Panamanian and regional media related to the current political situation in Panama. This review covers the period from 21 through 27 March and includes some items that have been processed in fuller form.

DOMESTIC POLITICAL ACTIVITY

FDP Views on Elections

The opinions of General Manuel Antonio Noriega, FDP commander in chief, and the FDP on the 7 May elections were highlighted by the local media during the week in review. Panama City Domestic Service broadcast a commentary on 21 March on the ADOC's "refusal" to meet with Gen Noriega, noting that ADOC "only" wants to discuss Noriega's departure, which the commentary termed as "blackmail." During a visit to the French cemetery in the Panama Canal area on 21 March, Noriega made statements to the local press that were carried live by the Domestic Service. Noriega discussed the role of the military in regional conflicts, saying "the achievement of peace requires the participation of the parties that are part of the problem." Panama City MEDIODIA on 22 March quoted Gen Noriega as saying the "FDP viewed the upcoming elections dispassionately," adding that there is a need to "break away from the traditional structures."

The media also reported a running debate over the past week between Noriega and the FDP and Ricardo Arias Calderon, Christian Democratic Party (PDC) president and ADOC vice presidential candidate. According to a Panama City ACAN report on 23 March, Arias Calderon said politicians and military personnel must make "frank, concerted efforts" so the elections will be "legitimate and democratic." Also on 23 March, MEDIODIA reported that after listening to a recent speech by Arias Calderon, Noriega "recommended that political parties try to avoid sowing hatred among Panamanians." Then, on 26 March, Panama City LA ESTRELLA DE PANAMA cited Arias Calderon as saying that if the opposition wins, "it will not try Panamanian soldiers," and that there was no "reason...to dismantle the FDP." These statements prompted the FDP to announce they were "on a state of alert" in view of the "threats" by Arias Calderon, LA ESTRELLA DE PANAMA reported on 27 March.

International Observers

Government officials quoted in the media continued to discuss the possibility of international observers being allowed to participate in the upcoming elections. Panama City Circuito RPC Television on 22 March carried statements by Renato Pereira, an "FDP adviser," who said "no one objects to the presence of observers, but no sovereign state would permit any observers to meddle in the election process." Meanwhile, Panama City MATUTINO on 23 March quoted Yolanda Pulice de Rodriguez, president of the Panamanian Electoral Tribunal, who said that "nearly 30 international observers," including representatives from Costa Rica, the Dominican Republic, and Guatemala, have been invited to observe the elections.

Criticism of PDC

Proregime media criticism of the ADOC member parties focused on the PDC during the week in review. Panama City CRITICA referred on 22 March to a "desperate" plan by the PDC and the U.S. Embassy to "interfere in the elections." Charges by the COLINA Defense Committee were raised in a communique published in MATUTINO on 23 March claiming a "terrorist commando unit, backed by the PDC" is operating in the country's interior. Panama City Circuito RPC Radio on 23 March carried statements by Jose Rafael Gil, a candidate for alternate legislator, who reported that "armed groups working for (Revolutionary Democratic Party, PRD, legislator) Rigoberto Paredes" had robbed and set on fire the PDC office in Arraijan, west of Panama City. In a denial aired by Panama City Televisora Nacional on 23 March, Paredes charged the PDC was conducting a "campaign of lies...to halt the elections" and to ask for "U.S. armed intervention."

PDC member Edwin Cabrera on 27 March told RPC TV about an "attack" on a PDC office in Panama City. Cabrera charged that "vandals" broke into the PDC's building where party flags were manufactured and stole equipment.

Meanwhile, PDC legislator Guillermo Cochez, speaking on RPC Radio on 27 March, said that day's issue of CRITICA carried seven articles against the PDC.

Opposition Use of Media Criticized

Through statements and actions reported by the local media, the regime and its spokesmen have shown displeasure with the ADOC candidates' use of both the government-controlled and the independent media. RPC TV reported on 22 March that the Government and Justice Ministry's Media Directorate "will demand strict compliance with all legal regulations on journalism" and will check if all radio announcers have "valid licenses." The subject of "valid licenses" was discussed by the "Scoops" columnist in the 23 March CRITICA, who said a "large number of politicians" running for office are broadcasting radio commentary programs and are committing "flagrant violations" of the media law.

The government arrested opposition newsman Alfredo "Wilfi" Jimenez Velez on 20 March. According to officials cited by Panama City CRITICA on 21 March, Jimenez was charged with "distributing propaganda that undermines the state's internal security and harms the country's economy." In "The Voice of the ADOC" commentary program on RPC Radio on 21 March, PDC legislator Cochez protested the "illegal and arbitrary arrest" of Jimenez. Cochez said Jimenez was editing LA ESTRELLA CIVILISTA, a PDC publication that is being published three times a week and distributed in Panama City. Speaking to RPC TV on 23 March, Jimenez' lawyer Javier Eskildsen said his client was still

under arrest even though a writ of habeas corpus was presented. The latter was to no avail, Eskildsen added, because the president of the Supreme Court of Justice "could not be found."

RELATIONS WITH THE U.S.

"Missing" Escrow Funds Issue

In their criticism of U.S. policy during the week in review, regime officials and the media were observed to focus on the funds supposedly "missing" from the escrow accounts in U.S. banks, the money allegedly "stolen" by former President Eric Arturo Delvalle, and the so-called "misuse" of funds by the Panama Canal Commission (PCC). Televisora Nacional reported on 22 March that "the genocidal criminal and traitor" Delvalle had been granted asylum by Washington, and the station warned citizens that while the people "endure agony," those "who are stealing...are celebrating." CRITICA charged on 21 March that Delvalle is giving his consul in New York, Jose Isabel Blandon, \$10,000 monthly from the "missing" \$65 million that "belongs to the Panamanian people." Foreign Minister Jorge Ritter told RPC TV on 23 March that there "is a shortfall" of approximately \$750,000 that the U.S. State Department had "justified." More criticism of Delvalle was carried in CRITICA's "Hard Line" column by Alberto Barrera on 27 March. The columnist said the former president had used "frozen funds" to purchase "horses and a mansion" while the Panamanian Government was "experiencing difficulties." The columnist said Delvalle "should be arrested."

Approximately 1,500 people staged a march in Aguadulce, Coclé Province, to protest the government's seizure of the Azucarera Nacional sugar mill, which is partly owned by Delvalle, ACAN reported on 27 March. A similar report by RPC TV on 27 March added that "thousands" of workers claim that the sugar mill's seizure was "political revenge."

The alleged "misuse of funds by the PCC" was brought up by Carlos Ozores Typaldos, a Panamanian member of the PCC Board of Directors, who charged that funds are being "misused" to send U.S. dependents to the United States on vacation, MATUTINO reported on 22 March. Panama City LA REPUBLICA's editorial on 21 March criticized the PCC for spending \$56 million to send U.S. dependents on leave and described it as "looting of Panamanian funds."

RELATIONS WITH OTHER COUNTRIES

Bishop Tutu's Visit

Both proregime and independent media reported on the 19-21 March visit by South African Archbishop Desmond Tutu and a delegation of the Anglican Episcopalian Church and on their meeting with Gen Noriega. RPC TV reported on 21 March that the bishops said they "urged" Noriega to review the policy of denying tax clearance certificates to Panamanian PCC workers. The bishops also said "fair election results must be respected." ACAN reported on 23 March that Panamanian Archbishop Marcos G. McGrath met with Bishop Tutu and that they both "called on the United States to lift its sanctions against Panama." Tutu and McGrath also urged the regime to allow international observers to supervise the 7 May elections.

Argentina

Agreement Signed With Spanish Companies *PY2903232189 Buenos Aires TELAM in Spanish* *1656 GMT 29 Mar 89*

[Text] Buenos Aires, 29 Mar (TELAM)—The Argentine Foreign Ministry has reported that ENDESA (Compania Electrica Espanola) [Spanish Electric Power Company], and IMENOSA (Industrias Mecanicas del Noroeste) [Northwestern Mechanical Industries] have signed a bilateral cooperation agreement in Madrid with the Argentine Government Coal Deposits [YCF] for prospecting and for the development of mining and electric power-generating activities in Argentina.

This agreement forms part of the Argentine-Spanish cooperation treaty. Representatives of the ENDESA-IMENOSA group will visit Argentina to analyze the real situation, to confirm "on-site" the prospects, and to draw a full program for joint action.

Defense Minister Leaves for Spain, FRG, Israel *PY2903164189 Buenos Aires NOTICIAS ARGENTINAS* *in Spanish 1546 GMT 29 Mar 89*

[Text] Buenos Aires, 29 Mar (NA)—Defense Minister Horacio Jaunarena stated at noon today that he will try to sell the Argentine-manufactured IA-63 Pampa jet to Spain, the FRG, and Israel when he visits those countries.

At Ezeiza International Airport just before departing for Europe, Jaunarena confirmed that in Madrid he will sign an agreement for cooperation in defense production, and that he will discuss similar agreements with the FRG and Israel.

Jaunarena is traveling with Air Force Commander in Chief Brigadier Ernesto Crespo.

*** Renovation of Fishing Fleet Seen Necessary** *33480136a Buenos Aires* *AMBITOFINANCIERO in Spanish 20 Feb 89 p 39*

[Article: "Obsolescence of Fishing Fleet Prevents Augmenting Catches"]

[Text] Our country's fishing industry finds itself at a juncture characterized by a fleet consisting of less than 100 operative deep-water fishing boats, the average age of which is approximately 20 years. This produced a record for 1987: 551,000 tons of catch and exports of over \$260 million.

Businessmen as well as government officials, generally speaking, attribute these results to, among other factors, the deregulation of the sector in 1985 and the large-scale importation of a little over 50 used fishing vessels free of import duty during the period 1971-1979.

If there is one factor on which all sectors of the fishing industry agree, it is that the obsolescence of the fishing fleet erects a concrete barrier against augmenting the catches, and even against maintaining the current level of catches.

There are differences of opinion, however, as to how to resolve this situation.

Differences

Basically, the shipowner sector argues that the fleet's tonnage and technology should be upgraded by large-scale imports of used vessels. The solution to the problem of augmenting catch tonnage, they say, should be a peremptory one involving a minimum of investment, hence a minimum of risk, in the acquisition of the fishing companies' most important asset: Fishing vessels. This approach would mean reinstating the provisions of the 1971-1979 period, with minor variations, and importing used vessels that have been taken out of service in other countries' fisheries, or that have reached the statutory limit of their operational life under the regulations of the country in which they are registered.

In the view of the shipbuilding industry, the hesitation, on the part of the government authorities involved in the implementation of provisions for the importation of shipping vessels, to define the necessary procedures in this regard, indicates a reluctance to act in accordance with Decree 440/71, because—they say—it actually proved detrimental both to tax revenues and to the nation's general interests.

Formulas of different types for the importation of used fishing vessels have been tried over the past 30 years or so. Despite this, the fishing fleet has continued in an ongoing state of obsolescence, and has not attained an average operating life enabling a rational renewal of the vessels. And what is worse: The expected increases in catch tonnage were never achieved.

Exports

Fishing constitutes one of Argentina's essential export industries. This is to say that efficiency is the key to its remaining in the market. All the cost factors involved in the operation of a fishing vessel—crew, fuel, refrigeration, provisions, depreciation, insurance, grading, maintenance, major repairs, etc.—must be managed prudently to remain internationally competitive. Thus, although depreciation of a new vessel is obviously greater than that of a used one, this factor when weighed as it must be together with all the other economic factors involved will be found to yield a viable balance in the average age of the fishing fleet. It must be remembered that the top fishing countries base their fleet replacements on technical performance and rational economics, and not on policies stemming from transitory conditions.

The shipbuilders, for their part, assert that they are capable of providing the units required by the fishing industry. They also point out that the need to master new technologies is no longer either an explanation of or a justification for imports. "Nor can urgency be an excuse," they say. They indicate that over the past 20 years they have acquired an international level of experience and technical expertise.

"What is standard practice in the industries of the world's leading fishing countries," they add, "has not begun to penetrate in a practical form in Argentina. The results of competition between new fishing vessels and used ones discarded by Japan and Spain are obvious."

The shipyards are running today at not more than 30 percent of their respective employment capacities. But even beyond this consideration, their view is that conditions could not possibly be more favorable than they are today for undertaking the replacement of the Argentine fishing fleet on an urgent and expedited basis, and ending a system of cyclical, short-term importations of old vessels at lowest possible prices and free of import duties, intensive use of them, and renewed importations of equally outdated vessels.

*** Import of Fishing Boats Strongly Opposed**
33480136b Buenos Aires *AMBITO FINANCIERO* in
Spanish 22 Feb 89 p 39

[Text] The secretary general of the Argentine Union of Shipyard Workers, Cayo Ayala, expressed his deep concern at what he termed "the persistent attack on and selling out of the Argentine shipbuilding industry" through steps being taken in official circles.

The union leader made reference to the lack of a clear and concrete political resolve on the part of the authorities, in an area that must be accorded priority, "because it relates to the national interest and to the development of our foreign trade," he said.

In Ayala's view, the changeableness of policies over the past several years "invites doubts as to good intentions and real interest in reenergizing the industry. Today, 60 percent of the productive capacity of the shipyards is paralyzed. The specialized workers, without doubt the most important asset of this type of activity, have been dispersed. Many of them have ended up in high-level enterprises and are enjoying recognition. The training of shipyard industry workers represents a very substantial investment. These policies generate uncertainty in the investor who is trying to work towards medium- and long-range goals and who must train his personnel."

Lack of Faith

The union leader points to "the lack of faith in the sector. On the one hand, we are told to be flexible and not object to the duty-free importing of used fishing boats, because the intent is to couple this with the

construction of others within the country. But on the other hand, the reality is that priority is being given to the importation of a substantial number of outdated vessels, which is already in process, and that, simultaneously, ARGEX [Argentine Exports] has been referred to as still another mechanism for the importation of used boats, when in reality it was created to promote exports."

Ayala's suspicions are aroused, in that, "In recent years, National Merchant Marine Fund transfers have been nonexistent, promotion policies have disappeared, and, in their stead, obstacles to the export of vessels have continued. Not content with that, the Secretariat of Agriculture, Livestock and Fishing issued a decree a few months ago limiting the construction of fishing boats in Argentine shipyards, by denying shipowners the possibility of obtaining fishing permits involving hake."

"The importation of 60 used fishing boats and the setting up of the ARGEX mechanism with customs privileges (curiously, some of these boats are already moored at Argentine docks)"—says Ayala—"takes us back to a repetition of the situation generated by Decree 440/71." It is recalled that this decree permitted the importation of used fishing boats duty-free, and stipulated that those taking advantage of this measure must build units in national shipyards.

Bolivia

Foreign Minister Leaves for 3-Day Visit to Spain
PY2903131389 La Paz La Red Panamericana
in Spanish 1130 GMT 29 Mar 89

[Excerpt] Foreign Minister Valentin Abecia is starting a 3-day visit to Spain today. He went to Spain to strengthen bilateral relations between the two countries.

The Foreign Ministry released a statement on the minister's visit. Today Abecia will meet with the Spanish minister of international cooperation to sign an agreement that will increase Spanish cooperation with Bolivia. Abecia will also meet with Spanish Prime Minister Felipe Gonzalez, to whom he will convey a special greeting from President Victor Paz Estenssoro. He will also meet with King Juan Carlos I to exchange ideas on cooperation in education. [passage omitted]

Minister Wants Report on U.S. Troop Activity
PY2903175989 La Paz La Red Panamericana
in Spanish 1130 GMT 29 Mar 89

[Text] The Defense Ministry will have to explain the activities of the U.S. soldiers in Corocoro and Viacha.

According to reports from people living in those regions, U.S. soldiers distributed medicine. The type and use of the medicine are not known. Health Minister Joaquin Arce Lema said that in response to those reports his ministry requested the defense minister to report on the activities of the U.S. soldiers.

The defense minister will also have to explain whether there is an agreement allowing U.S. soldiers to carry out medical activities and whether Bolivian soldiers are also involved. Arce Lema indicated that until now the U.S. soldiers have been reported only by people living in those regions, and that their presence must be verified before an official statement can be made. Arce Lema also indicated that an investigation will be conducted to find out what type of medicine was distributed.

Soldiers Distribute Medicine

PY2903182289 La Paz La Red Panamericana
in Spanish 1700 GMT 29 Mar 89

[Text] Health Minister Joaquin Arce Lema today reported that the Bolivian Army, along with its health units, is carrying out exercises in Viacha, Corocoro and (Masacara).

Arce Lema was referring to the case of medicine distribution by foreign soldiers in that region. He added that the government does not see anything irregular if observers or members of other Armed Forces have joined the operation in accordance with current agreements with Bolivian military institutions.

Arce Lema added that the important aspect of this case is that it is directed and motivated by our own Armed Forces.

[Begin Arce recording] This is a social action being carried out by our Army, for which we have the greatest respect especially under a democracy that is supported by our Armed Forces. The foreigners are here only as observers, cooperating and advising our own Armed Forces in accordance with international agreements. [end recording]

Arce Lema concluded by saying that it should remain clear that our Army is the organization conducting the health operation, with the cooperation of foreigners under an agreement.

Official Rules Out Shining Path Activities

PY2903212189 La Paz La Red Panamericana
in Spanish 1700 GMT 29 Mar 89

[Text] Interior Ministry Under Secretary Walter Costas Badani has stated that Bolivian intelligence and security organizations have yet to detect the presence of Shining Path terrorists in Bolivia.

Costas Badani told Panamericana that the Peruvian press on various occasions has tried to implicate Bolivian ties in this terrorist organization's activities.

Costas Badani pointed out that the Shining Path guerrillas have conducted their terrorist operations exclusively in Peruvian territory and that Bolivia has no connection whatsoever with this guerrilla organization.

[Begin Costas Badani recording] The reports about these ties are alarming and groundless. The international press, and especially the Peruvian media, have often tried to involve Bolivia in the terrorist problems, which I do not think have gone beyond Peru's borders. We have nothing to do with them, and any rumour in this regard is groundless speculation. [end recording]

Costas Badani also said that, if necessary, the appropriate government security organizations will carry out their specific duties in a coordinated manner. This means that they will exchange information with similar organizations of the Armed Forces.

*** YPFB To Invest \$186 Million in 1989**

*** Exploration, Drilling Sites**

33480138c Cochabamba LOS TIEMPOS in Spanish
22 Feb 89 p B-5

[Text] During the current fiscal year Bolivian Government Oil Deposits [YPFB] will invest \$186 million in programs for hydrocarbon exploration, exploitation, and marketing.

This information was provided by YPFB's vice president for operations, Jorge Flores, noting that the investment is provided with its own resources and external financing.

The state company will furnish \$66 million, while \$120 million will come from external funds, for all areas.

Flores remarked: "We hope to reach a depth of 100,000 meters drilling 40 wells of both the wildcat and development type."

As for oil exploration, the informant reported that work is under way in the Chaco, Plains, and High Plateau regions of the national territory.

He said that the drilling is being done in the San Alberto and Vuelta Grande fields, in the latter "for future expansion," both being located in the department of Chuquisaca; and toward the north, in the Vibora 3, Sirari, La Pena, and Tucabaca fields.

Furthermore, at Laguna Colorada the Sol de Manana well is being drilled to generate geothermal energy.

Eight drilling rigs are currently operating for the various exploration and exploitation projects in the national territory.

*** Cochabamba Operations Described**

33480138c La Paz HOY in Spanish 28 Feb 89 p 9

[Text] By the end of March or in early April Bolivian Government Oil Deposits will begin drilling oil wells in the department of Cochabamba, specifically in the Ichoa region, an area bordering Boomerang, which has structures with proven oil production potential.

According to the report obtained by our morning paper, the state company will start drilling wells north of Bulo Bulo, in the department of Santa Cruz, specifically 5 km from the border separating the two departments which is under the jurisdiction of Cochabamba.

The state company is completing the transfer of equipment to the Ichoa region, so as to immediately begin drilling operations that will convert the department of Cochabamba into a new hydrocarbon producing district.

The aforementioned Ichoa region lies within the Boomerang structure, an area with proven oil production potential, which was the site of the recent discoveries made in fiscal years 1987 and 1988.

As is public knowledge, the region contains major structures with oil deposits, such as the Vibora X I, Cascabel X 4, Sucuri, and Sirari fields, which have become areas supplying carburetants, especially of the liquid type.

According to the report obtained by HOY, the region's oil producing structure ensures important prospects for Ichoa, which in the near future will mean an increase in the flow of carburetants benefiting Bolivian Government Oil Deposits.

The report claims that the drilling operations in the Ichoa region will be initiated at the end of March or in early April, once the transfer and installation of equipment have been completed.

*** Loss of Purchasing Power Seen Since 1984**
33480138b La Paz PRESENCIA in Spanish
28 Feb 89 p 7

[Text] The Bolivian Labor Federation [COB] asserts that, between 1984 and 1988, wages lost 37.2 percent of their purchasing power; they rejected the statements by government authorities who claim that real income rose between 1985 and 1989.

At a press conference held yesterday at the COB offices, leader Carlos Camargo said that these data were established in a research project with members of CEDLA [expansion unknown], a nongovernment agency, and were based on concrete facts.

He noted that in 1984 a worker could purchase a larger amount of staple foods for family consumption, whereas the current wage does not allow for meeting the minimal requirements.

In recent statements the labor minister remarked that the government, through the financial law, is providing a larger amount for the workers' needs.

Camargo maintained that staple food prices are higher every day, and the wage hike insignificant, which is widening the gap between income and cost of living.

He added that, based on official data from the La Paz City Hall, three minimum wages are required to fill the family market basket.

The COB study establishes the fact that, between 1987 and 1989, prices had a variation of 38.3 percent, while the government raised wages between 10 and 15 percent annually, indicating that this is a token increase which fails to take the total family market basket into account, because it does not include transportation, clothing, and other expenses.

To apprise the public of the loss in purchasing power of wages, a table on the subject, broken down by sectors, is included:

Sectors/Years	Index of Real Wages by Sectors (1984=100)					1984-1988 Wage Loss
	1984	1985	1986	1987	1988	
Mining	100	25.5	50.7	90.4	85.9	-14.1percent
Oil	100	51.5	29.2	37.0	35.2	-64.8percent
Manufacturing Industry	100	57.5	67.0	70.2	66.7	-33.3percent
Other Industries	100	57.5	67.0	70.2	66.7	-33.3percent
Construction	100	48.9	47.6	76.3	72.5	-27.5percent
Commerce	100	79.0	94.4	132.5	125.7	+26.7percent
Electricity and Gas	100	61.0	56.4	77.1	73.2	-26.8percent
Banks	100	65.4	57.8	73.3	69.7	-30.3percent
Transportation	100	115.2	116.1	114.5	109.2	+9.2percent
Services	100	69.1	69.7	108.0	102.6	+2.6percent
National Media	100	63.2	63.9	66.1	62.8	-37.2percent

Source: CEDLA, based on official information. Preparation by COB.

*** Foreign Financing of Public Investments Viewed**
33480138a La Paz PRESENCIA in Spanish
1 Mar 89 p 1

[Text] During 1988 public investment totaled to \$348.3 million, and was financed by external funds allocated primarily to projects that had been put into operation during previous fiscal years.

Of the \$348 million, \$147 million was from internal funds provided by the General Treasury, business firms, and regional development corporations; \$201 million was from external funds: the Inter-American Development Bank and World Bank, the Andean Development Corporation, the Plate Basin Development Fund, and various countries.

The information was provided by the undersecretary of public investment and international cooperation, Fernando Cossio, after his office made a detailed evaluation made of this topic.

Old Projects

The official explained: "The essential portion of the investment plan contains projects which are carryovers, many of which were negotiated at the beginning of the decade. But 35 percent of these are new programs, such as the one associated with the changes in the Bolivian Mining Corporation (COMIBOL)."

Cossio supplied a precise and detailed report, emphasizing the increase in funds appropriated for investment during the past 3 years, and a greater budget execution.

Annual Performance

He noted, for example, that in 1986 the volume of investments totaled \$196 million, which increased to \$265 million in 1987, and reached a level of \$348.3 million in fiscal year 1988.

A total of 34 percent of the investment was appropriated for the transportation sector, 26 percent for hydrocarbons, 14 percent for agriculture and livestock, 6 percent for energy, 4 percent for mining, and 3 percent for sanitation, communications, and multisectorial projects.

Greater Execution

During the last fiscal year, the government was able to execute 89.5 percent of the programmed investment, totaling \$388.715 million; this is considered very favorable by undersecretary Cossio, because it represents a considerable increase over 1987, when only 46 percent of the investment called for in the plans materialized, totaling \$265.2 million.

He commented: "I am happy because there has been a substantial quantitative and qualitative improvement in the investments area; we have moved from \$196 million in 1986 to \$348.3 million in 1988."

He added, moreover, that "the projects that have been put into effect will reinforce the country's production capacity," although their results may have to be observed over the next few years.

Plan for 1989

The public investments plan for this year calls for a sum of \$520 million, \$190 million of which will come from internal funds, and \$335 million from external sources.

Cossio admitted that the investment level is, however, subject to changes that might occur in the country's internal policy and in external factors such as whether Argentina makes payments on gas purchases, and the stability of prices for minerals and oil, the country's leading sources of income.

Brazil

Bomb Explodes Near U.S. Consulate in Sao Paulo
PY2903224189 Sao Paulo O ESTADO DE SAO PAULO
in Portuguese 29 Mar 89 p 11

[Text] At 0745 yesterday, a bomb exploded in front of the U.S. Consulate in Sao Paulo. The bomb went off after a car, a Santana, license plate No RL-6914, drove through the parking lot gate. Five hours later, 40 members of the Pro-Salvador Commission staged a demonstration in front of the building, located at 923 Padre Joao Manuel Street. The demonstration left the 75 consulate employees even more nervous. Marco Antonio Veronesi, Sao Paulo Federal Police regional department superintendent, however, did not see any link between the bomb and the demonstrators, who were protesting the U.S. policy in Central America. Veronesi said he believed the man responsible for the bomb could be the same person who tried to steal a gun from a consulate guard on the night of 27 March.

"The amateurish way the bomb was set was evident. No organization would do that," Veronesi said. The bomb was a mixture of a plastic material of the Durepox type [not further identified], plastic pipe, explosives, scrap metal, and broken glass. The bomb did not exactly explode: "The weight of the car broke the package and only half of the black powder burned off," said Mauro Ament, chief of the Federal Police communications department.

The car, owned by Manasa, Madeireira Nacional S.A., was not damaged. A little black powder remained on the left tires. The 14-story building which houses in the U.S. Consulate and Manasa also accommodates the FRG-Brazil Chamber of Commerce, the Bank of America Representacoes e Servicos S.A., and Carbocloro Industrias Quimicas S.A. The directors of the firms refused to comment on the incident. Employees said they were forbidden to make any statements, but stopped in front of the parking lot to have a look at the mark of the black powder on the street.

Kathy Brion, the Consulate's public relations adviser, said "It was a calm day despite the explosion of this firecracker." She, however, forbade reporters from entering the Consulate and banned photographers and film makers from anywhere near the entry hall.

The Military Police Operations Center, COMPOM, did not say why it withheld this information until 1200, after the experts had finished their job on Padre Joao Manuel Street. COMPOM experts collected the remnants of the explosive that remained on the street and took them to the Federal Police Criminal Service. According to Veronesi, there is no date for the issuance of a report on the investigation. Veronesi, however, promised to hasten the identification of the man who, 12 hours before the explosion, promised to place a bomb at the consulate if the guard did not give him his gun.

Train, Bus Drivers End Strike in Rio de Janeiro
PY2903125189 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 29 Mar 89

[Text] Buses and trains are running again in Rio de Janeiro after bus and train drivers ended their strike. The bus drivers in Rio de Janeiro become the first to win the 6-hour work shifts provided by the national Constitution.

At the meeting during which the bus drivers decided to end the strike, Luis Martins, president of the Bus Drivers Association, said he had received a telephone call from Municipal Transport Secretary Alvaro Santos, who reported that Rio de Janeiro Mayor Marcelo Alencar offered a 20-percent increase, retroactive to 1 March, and the implementation of 6-hour shifts within 120 days.

This reduction in shift-hours will cause a 12-percent increase in fares. According to the president of the Bus Drivers Association, Alvaro Santos said that this increase will be implemented only after the freeze is lifted.

The train operators will study the employers' proposal for a 36-hour week, with no change in salaries. This offer was made during the reconciliation meeting at the Rio de Janeiro Regional Labor Court.

The train operators returned to work at midnight and reported that the first train will start running at 0400 this morning. The train operators will hold another meeting at noon today, during which they will decide whether to accept the employers' proposal.

Foreign Intervention in Amazon Region Rejected
PY3003012189 Brasilia Domestic Service in Portuguese 2200 GMT 29 Mar 89

[Excerpts] Interior Minister Joao Alves has said that charges that the Brazilian Government is seeking the internationalization of the Amazon region is absurd. The

news originating in the United States is baseless because Brazil has never opened, nor will it ever open, its territory to foreign intervention, Alves said.

Alves said countries and groups with economic interests in the region are behind the international campaign to preserve the rain forests.

Joao Alves participated in a meeting at Planalto Palace this morning with General Rubens Bayma Denys, national defense general secretary. The two officials received a document from seven governors from the Amazon region entitled "Our Natural Resources."

The interior minister thanked the governors for the document and stressed that several proposals contained in the document are already being implemented by the federal government.

Amazonas Governor Amazonino Mendes explained after the meeting that one of the petitions submitted by the governors asks the federal government to allow the states to participate in the program. [passage omitted]

President Sarney will launch the program "Our Natural Resources" on 6 April.

*** Democratic Convergence Leader Defines Goals**
33420039a Sao Paulo FOLHA DE SAO PAULO in Portuguese 9 Feb 89 p A-5

[Article by Neri Vitor Eich]

[Text] Rio de Janeiro—The recently launched Democratic Convergence Movement is designed to establish "a preliminary supraparty association" to assess the voters' preference among the candidates who reject "both extreme left-wing radicalism and extreme right-wing radicalism and populism." This was the statement made by Rio de Janeiro businessman Sergio Quintella, 54, one of the vice presidents of the movement.

This group, which is headed by Ozires Silva, a former president of Petrobras [Brazilian Petroleum Corporation], and includes businessmen, former ministers, economists, and liberals in the professions, wants to influence the succession process in such a way as to prevent the establishment of a Marxist government in Brazil. Lawyer Ives Gandra da Silva Martins is one of the vice presidents.

Quintella says that the Convergence group "does not have its own candidate," but wants to avoid dispersal of the "centrist" forces, and it is working to ensure that the presidential candidates within that sector develop "a great coalition to rally around the individual who shows the greatest electoral viability."

In the view of the 62 founders of the group, there are between eight and 10 individuals who might serve their purpose, the backbone of which is "to encourage private

enterprise, without excessive regulation and intervention" by the state, and to reduce "social disparities." Quintella believes that an association formed prior to the first round of balloting is the way to make a "great center coalition" workable.

Names Considered

Among those already suggested as successors to the president, Quintella identifies as "centrists" businessman Antonio Ermirio de Moraes, Federal Deputy Guilherme Afif Domingos (PL [Liberal Party], Sao Paulo), former minister Aureliano Chaves (PFL [Liberal Front Party], Minas Gerais), Governor Orestes Quercia (PMDB [Brazilian Democratic Movement Party], Sao Paulo), Deputy Ulysses Guimaraes (PMDB, Sao Paulo), Minister of Justice Oscar Dias Correa (unaffiliated), former prefect of Sao Paulo Janio Quadros, and television producer Silvio Santos.

Quintella denies that Ozires Silva will be the Democratic Convergence candidate. "You can take it as fact that the movement was not created to sponsor Ozires as a candidate." But he voices one reservation: "This does not mean that he may not accept. Everything depends on whether he proves viable in electoral terms, because he has already demonstrated administrative capacity."

Quintella, who heads Montreal Engineering, admits that he is supporting Senator Mario Covas (PSDB [Brazilian Social Democratic Party], Sao Paulo), whom many businessmen say they reject because of his center-leftist positions.

"Covas will have to make a clear choice for a limited degree of state intervention. We have nothing against the European social democrats or the governments of Italy, Spain and France. But it was not a social democratic position which Covas adopted in the Constituent Assembly," Quintella says. And he cites an example. "He voted to have the state take over the distribution of gas and to nationalize mining, but if he comes to us, if he seeks us out and endorses this European model in which the market economy prevails, we will not oppose his center-leftist position, because we believe that the fruits of this economy should be distributed."

Lula and Brizola

When he speaks about extreme leftist radicalism, Quintella means principally the PT [Workers Party] and its candidate, Federal Deputy Luis Inacio Lula da Silva. The Democratic Convergence Movement believes that the votes which elected PT members Olivio Dutra and Luiza Erundina to the prefectures of Porto Alegre and Sao Paulo, respectively, were not just those of "committed Marxists," but also those of voters who "did not understand the candidates' ideology" and "those who made this choice even though they did understand it."

An Irreversible Choice

By this Quintella means that "the protest vote was stronger than the ideological vote in 1988." And this has to do with the reason for the establishment of the Convergence Movement, because its leaders are persuaded that any future Marxist president would make no distinction between the different ideologies of those who voted for him, and his rise to power "might mean the irreversible choice of Marxism of a Third World type."

When he uses the word "populism," Quintella is referring to the PDT [Democratic Workers Party] candidate, Leonel Brizola, whom he rejects because he would bring "instability and the problems which have tormented Argentina from the Peronist era to the present day" to Brazil. Apart from this, he identifies both Brizola and Lula with "socialism leaning toward state control, which is regressive, because even the communist governments in Eastern Europe are modernizing and opening up their economies to private capital."

The Other Extreme

Among the "extreme right-wing radicals," Quintella mentions the president of the UDR [Rural Democratic Union], Ronaldo Caiado, who is at "the opposite extreme from Lula." Quintella denies that the Convergence is "rightist," and he challenges the criticisms by politicians, including Lula, and the press claiming that the founders of the movement are the same men who supported and participated in the government beginning in 1964.

"Men like economist Octavio Gouvea de Bulhoes and scientist Carlos Chagas cannot be regarded as responsible for what happened then," he says. Gouvea de Bulhoes served as interim minister of treasury during the governments of Getulio Vargas (1951-54) and Joao Cafe Filho (1954-55), and he headed that ministry during the government of Marshal Castello Branco (1964-1967).

The manifesto of the Democratic Convergence was signed by other military government officials, including Ernan Galveas, who was treasury minister under President Joao Baptista Figueiredo (1979-85); Mario Henrique Simonsen, who was treasury minister under President Ernesto Geisel (1974-79); and Affonso Celso Pastore, who was president of the Central Bank during the Figueiredo government.

Quintella admits that because of popular dissatisfaction, the "centrists" will have an uphill battle, and their movement "runs the risk of being identified as rightist." But he gives assurance that "the Convergence is a part of the opposition, because it is not possible to support the status quo. Moreover, any candidate who is not in the opposition will be doomed. If Sarney were to support our candidate, he would lose."

Quintella explains his plan of action. "We will show society that we offer an alternative to radicalism. We will mobilize the business sector, the trade associations, the associations of liberal professional workers, doctors, engineers, and lawyers to exert pressure on the politicians and enlighten the public about the risks of Marxism. We will mobilize the owners' associations, and also those of the workers, because the workers must understand that under a Marxist system, trade unions are not even allowed."

In addition to its six-room headquarters in the center of Rio, the Democratic Convergence Movement expects to establish an office in Sao Paulo next week, and then to form groups in Belo Horizonte and Porto Alegre.

*** Interbras Signs Accord With Iran**

33420039b Rio de Janeiro O GLOBO in Portuguese
16 Feb 89 p 29

[Text] Interbras [Petrobras International Trade, S.A.] has signed an agreement with Iran calling for exports of Brazilian products worth \$370 million per year, with the purchase of 72,000 barrels of oil per day as a counterpart. With this contract, Iran will become the third-ranking supplier of oil to Brazil, surpassed only by Iraq (240,000 barrels per day) and Saudi Arabia (125,000 barrels per day). The vice president of Interbras, Hamilton Sergio Albertazzi, who headed the Petrobras [Brazilian Petroleum Corporation] mission which visited Iran last January, stated that this contract is very important, since Brazil imported only 45,000 barrels per day of oil from that country last year, 75 percent of it on a counterpart basis.

In accordance with the new contract, Brazil will import 80,000 barrels per day, of which 90 percent will be on a counterpart basis. Earlier, Interbras signed an agreement with Iraq calling for exports of Brazilian products worth \$90 million in exchange for the import of 70,000 barrels of oil per day. This was the formula which was found to make the sale of products such as aluminum and petrochemicals to Iraq viable, according to Albertazzi, since the agreement signed in 1987 between the two governments calling for exports to Iraq worth \$1.2 billion was never implemented. This agreement has been "frozen," since the definition of the financing in the budget of the Bank of Brazil's Foreign Trade Department (CACEX) is still pending.

*** AVIBRAS Negotiates New Accord With Iraq**

33420039c Rio de Janeiro O GLOBO in Portuguese
22 Feb 89 p 21

[Text] Sao Jose dos Campos, Sao Paulo—Avibras is negotiating a contract with the Government of Iraq for the sale of complete batteries and rockets for the artillery system designed to saturate the Astros II area. The number of batteries, which are composed of launching platforms, fire control apparatus, reloading equipment

and rockets, was not specified, but sources at the Foreign Trade Department (CACEX) report that the contract involves a sum of a little over \$500 million.

The negotiations were initiated in 1988 by the president of the enterprise himself, Joao Verdi de Carvalho Leite, while formulas which would allow the Iraqi Army to make the back payments on the earlier contract were being studied. The Government of Iraq asked for new grace periods, and the contract conditions, the negotiators say, are very favorable.

The Iraqi debt of about \$45 million owed to Avibras is being parceled out, and is to be paid beginning next week. And so in the early days of March deliveries of weapons purchased in 1988, which were suspended because of the failure to pay, will be resumed.

*** FRG Technology Aids Niobium Production**

33420039d Rio de Janeiro O GLOBO in Portuguese
13 Feb 89 p 14

[Text] Belo Horizonte—The Brazilian Mining and Metallurgy Company (CBMM) has imported an electron-beam furnace for the production of metallic niobium. It was purchased from the German Leybold AG enterprise. With this equipment, the CBMM will produce 40 tons of metallic niobium per year for a world market which consumes about 200 tons per year. In 1988, the CBMM spent \$90 million (90 million new cruzados) on the import of this furnace for the production of metallic niobium. An investment of \$6.4 million (6.4 million new cruzados), which was spent on the installation of a metallurgical complex and a research and product development laboratory in Araxa and Alto do Paranaiba, was involved.

Chile

Foreign Ministry on Status of Fruit Exports

PY3003011389 Santiago Domestic Service
in Spanish 2300 GMT 29 Mar 89

[Text] According to a Chilean Foreign Ministry report, the marketing of Chilean fruit in various countries has been gradually returning to normal. In Great Britain, the FRG, Italy, France, the Netherlands, and the Scandinavian countries the situation is practically normal, although inspection standards are stricter than those prevailing prior to March this year.

The Foreign Ministry added that the markets in Latin America have remained normal, except for Brazil. Shipments to the United States have returned to normal, and Chilean products are being marketed as usual. In fact, Chilean fruit is being sold at U.S. supermarkets and the price of grapes is the same, even a bit higher, than last year.

The situation in Canada is confusing because the Canadian Government has indicated that Chilean fruit already in the country must be either destroyed or reexported before any further imports of Chilean fruit can be authorized.

Asian and Middle East markets are also returning to normal. Shipments of Chilean fruit have been unloaded in Japan and the marketing of Chilean fruit in other Asian countries is not encountering any problems.

Political Prisoners Stage Riot in Colina Prison

PY2903141389 Santiago Domestic Service
in Spanish 1030 GMT 29 Mar 89

[Text] The National Penitentiary Police have reported that political prisoners have caused disturbances and damages at the Colina rehabilitation center. In a communique, the National Penitentiary Police support report that the incident occurred when 10 political prisoners on a hunger strike were being treated at the penitentiary infirmary.

The communique adds that at that time, numerous inmates broke into the infirmary and proceeded to break windows, grills, and furniture. It adds that the inmates also withdrew those inmates who were undergoing medical check up and demanded that the hunger strikers be transferred.

The communique concludes that after the incident, the penitentiary police investigated and made several raids, in which they found many guns and knives.

Police Communique Admits Wrongdoings

PY2903220389 Santiago Radio Chilena Network
in Spanish 1700 GMT 29 Mar 89

[Text] The Investigative Police have admitted that the individuals that fired their guns during a demonstration of high school students at Bernardo O'Higgins Avenue yesterday are members of the Police Department. The Civilian Police Public Relations office released the following communique:

Regarding the picture that appears in the morning newspapers LA EPOCA and FORTIN MAPOCHO showing civilians trying to control the disorders provoked by young individuals at Bernardo O'Higgins Avenue near San Ignacio and Nataniel Streets, the Investigative Police Public Relations Office states the following:

1. The car that appears in the pictures of both newspapers belongs to the Investigative Police. The car was on patrol carrying out surveillance for possible criminal activity.

2. The behavior of the agents in the police car is not in accordance with the norms of conduct established by the institution for such circumstances. The institution will therefore discipline the agents involved.

3. However, the Investigative Police warn that according to Law 2460, Article 5, its duty is to maintain public order and combat all criminal activities.

4. The population must rest assured that the institution will fulfill its duty to maintain order while maintaining the appropriate standard of conduct within the detective department.

Signed: Juan Diaz Jara, Chief Prefect of the Civilian Police Public Relations Office.

Several shots were heard following the incidents yesterday at the central walkway of Bernardo O'Higgins Avenue during a demonstration staged by students from the Applications School. The students were marching to honor the two Vergara Toledo brothers who were killed 4 years ago during an apparent confrontation at Villa Francia.

Around 1400 yesterday, some 100 students from the Applications School built a roadblock and marched through the central walkway of O'Higgins Avenue. When the demonstrators passed the Brazilian Embassy, a guard came out and pointed a gun at them. The students then picked up stones and forced the guard to withdraw.

Later, two individuals in a Chevrolet Opala automobile pointed AK rifles at the students, fired some shots, and quickly drove away. Finally a detachment of Carabineros arrived at the scene, arrested several students, and broke up the demonstration.

ENAP Tugboat Crashes Into Oil Platform

PY2903145789 Santiago Domestic Service
in Spanish 1030 GMT 29 Mar 89

[Text] A tugboat that belongs to Maritima Magallanes Ltd crashed into an oil platform of the Costa Afuera project in the western sector of the Magallanes Strait. Both the oil platform and the boat's prow sustained damages, which are now being assessed. The accident occurred under conditions of normal visibility.

The reason why the prow of the tugboat ("Quirque") crashed into the platform of the "Pejerrey II" is now under investigation. The crash immediately set off the automatic emergency system and the automatic emergency support system. An accident of large proportions was thereby avoided.

According to an official report by the Magallanes National Petroleum Company, ENAP, [as heard] the oil platform was operating normally less than 2 hours after the accident. The report adds that there were no injuries to workers on either the oil platform or the tugboat.

The tugboat ("Quirque") is under contract to the Costa Afuera ENAP project. The tugboat headed for Catalina Bay, where the damages it sustained are being assessed so it may be immediately repaired.

Colombia

Barco on Cooperation, Integration With Venezuela
PA2903185589 Caracas Venezolana de Television
Canal 8 in Spanish 0200 GMT 29 Mar 89

[Speech by President Virgilio Barco Vargas following his meeting with Venezuelan President Carlos Andres Perez on 28 March in the Venezuelan city of Urena—recorded]

[Text] We have worked jointly to promote Colombian-Venezuelan cooperation and integration. This is not the first time we have met to further Simon Bolivar's ideal of a strong and united Latin America. I fondly remember the early 1960's when that ideal led to the signing of the San Cristobal Act by Venezuelan President Romulo Betancourt and Colombian President Guillermo Leon Valencia. That document set clear guidelines for mutual integration and cooperation. I am sure that following this meeting, more than 25 years later, the ties between our two nations will be strengthened and renewed. Maybe that is because unlike many countries, Colombia and Venezuela have a tremendous potential for economic development and for taking joint action to enhance Latin American well-being, independence, and unity.

Our lands, our cultures, our histories, our economies, our regional interests, our democracies, and even the difficulties we must deal with complement each other. We have the historic responsibility and political obligation to develop that potential for unity and reciprocity into a reality of progress and fraternity.

Mr President: This meeting reaffirms the decision and political commitment that prompts the governments of Venezuela and Colombia to turn the benefits of integration and cooperation into tangible and real results, as they are true instruments for peace. I am convinced it is especially fortunate for the region and for bilateral relations between our two countries that a Latin American patriot leads the destiny of the noble people of Venezuela. During his career, the permanent and unyielding defense of the aspirations of the Venezuelan people have become fused with the undying struggle for Latin American unity. His defense of the Latin American economic system, his leading role in the return of the Panama Canal to the Panamanian people, his active diplomacy at international forums like the Socialist International to defend Latin America's interests, and his recent proposals on the foreign debt, which have served as catalysts to adopt a new attitude regarding this problem, are all examples of his commitment to the region.

The Colombian people deeply appreciate his efforts and initiatives, inspired by the purest of commitments to the ideals of Simon Bolivar.

Latin America has learned the significance of democracy and integration in achieving the lofty goals that its history and potential have imposed on the region. In

these difficult times, the need for cooperation and concerted action is clear. These measures cannot be delayed, nor ignored, if we want to overcome the enormous challenges faced by all our countries, and if we want to prevent the region from becoming a mere witness to the forces that are making profound global transformations and defining the future. Through multilateral diplomacy, and their membership in organizations such as the Group of Eight, Colombia and Venezuela have jointly made, and can continue to make, definitive contributions that will enable Latin America to overcome its difficulties, and become a leading player in the shaping of a more just and peaceful world.

Latin America has learned another great lesson. Unity can be built more firmly on practical initiatives than on rhetorical statements. Integration feeds on the achievements that bring people together and enable them to enjoy the progress that results from joint efforts. Years of struggle for regional development have shown us that development is based on actions that inspire trust and well-being at all levels, help take advantage of the natural ability to carry out complementary actions, and resolve large and small problems. It is with this renewing and practical spirit that we expect to improve Colombian-Venezuelan relations. With an over-simplified approach, some have tried to limit relations between the two countries to the handling of disagreements, forgetting that what unites us is much more important than what separates us.

For this reason, Mr President, this new stage of the concerted effort and cooperation we have entered into seeks to establish new ties in every field and to translate the powerful determination for integration that moves us into well-being for our people. We have great hopes for progress. Within the irreplaceable framework of strict respect for the sovereignty of each country, the adequate protection of hydrographic basins and the exploitation of the resources represented by our common rivers offer great opportunities for cooperation and joint work. Agricultural and industrial integration should renew old proposals, affirm the progress that has been achieved, and create new opportunities.

The border must be understood as a heritage and an asset to be used for development. This is a good opportunity to redouble our efforts to regulate urban growth on both sides of the border and create new binational development centers. The comparative advantages that the border offers, if adequately administered, can become a powerful stimulus for private, public, domestic, and foreign investment, just as has been happening in Argentina, Brazil, and Uruguay. In this brief speech, I could not mention all the possibilities for development and progress that the two countries share. We must consider and foster the application of these alternatives with vision and zeal because they represent important and enriching opportunities for our two peoples.

The agreement and terms we have drafted today will serve as instruments for cooperation and a concerted effort so the hopes for common progress can crystallize into reality. Because the delimitation of sea and submarine areas in the Gulf of Venezuela has yet to be established, it is up to the high commissioners to recommend the procedures and direct negotiations through which we expect to settle this old controversy.

I want to thank everyone who is serving on the commissions for their decision to help construct a more promising present and future for the two nations. I thank Adolfo Suarez, one of the decisive milestones in the construction of the Spanish democracy, for having accepted his designation by the two governments as president of the Permanent Reconciliation Commission, which was established by the 1939 Treaty for Nonaggression, Reconciliation, Arbitration, and Legal Agreement.

Mr President, ministers, commissioners, dear friends: This meeting between the Venezuelan and Colombian presidents is a decisive step in the consolidation of the future cooperation and integration of our two nations. This is our opportunity to make Bolivar's ideals a reality and reply with facts to our peoples' demands for change and well-being. I am sure this historic hope has never before had so great a chance to become a reality. Thank you.

Bank Officials Deny Money Laundering Charges

PA3003013489 Bogota Inravisión Television
Cadena 1 in Spanish 0000 GMT 30 Mar 89

[Text] U.S. authorities today reported that an operation called Polar Cap [Capa Polar] revealed that two Latin American banks—the Banco de Occidente of Panama and the Banco de Occidente of Colombia—are involved in money laundering for the Medellin Cartel.

According to U.S. Attorney General Dick Thornburgh and FBI Director William Sessions, the operation ended with the filing of specific charges against 127 people and the two Latin American banks.

However, here in Colombia, Banco de Occidente's Board of Directors vigorously denied that their institution is involved in money laundering activities and expressed surprise, not having been notified previously about such charges.

They also pointed out that Banco de Occidente is particularly careful not to receive monies of suspicious origin. The bank does not accept cash deposits in dollars and suspiciously investigates large sums of money. The bank officials said in conclusion that their bank does not have foreign holdings amounting to the sum U.S. authorities have said that they will seize.

FARC Front Action in Huila, Antioquia, Meta

PA3003035689 Bogota EL TIEMPO in Spanish
27 Mar 89 pp 1, 15-A

[Text] According to official sources, the Holy Week truce was apparently broken over the weekend by several Revolutionary Armed Forces of Colombia (FARC) fronts in Antioquia, Meta, and Huila Departments. One Army lieutenant, four soldiers, and three civilians were killed during the attacks.

The Defense Ministry reported the first incident took place at La Linea, a corregimiento located in Algeciras Municipality, Huila Department, where a FARC front ambushed an 11th Brigade Army patrol. Several mines placed in the area went off when the soldiers passed through La Linea Corregimiento. Lieutenant Jaime Quintero Cardona and soldiers Nelson Sanchez Molina, Maximiliano Serrato Cuellar, and Dairo Suarez Suarez were killed in this action.

In addition, the fervor of the Saturday procession and prayers were interrupted in Santa Rita Corregimiento, Ituango Municipality, Antioquia Department, at 1800 by 200 guerrillas who entered the town shooting at Army troops—approximately 72 soldiers—who were returning to the town after their patrol operations.

Girardot Battalion officers, who asked us not to reveal their names, stated that the rebels, who were members of the FARC 28th Front, attacked two trucks filled with soldiers.

The Santa Rita, the police chief found the bodies of a soldier and a rebel on the road leading to Santa Rita. The soldier was identified as Edison Estrada Bolivar. Soldier Raul Durango Herrera was wounded and taken to the Pablo Tobon Uribe Hospital in Medellin.

The dead rebel, who has not yet been identified, had a submachinegun, 3 clips, and 30 9-mm cartridges on him.

Ituango Municipality, 195 km north of Medellin, is near Lower Cauca, where the Army dismantled during Holy Week a FARC 37th Front plan designed to commit crimes and carry out ambushes and assaults.

Meanwhile, at least 50 FARC rebels blew up a jeep near San Juan de Urama Municipality near Road No 32 in Meta Department.

According to Police Commander Colonel Jose William Bermudez Zapata, who commands antiguerrilla operations with the support of 7th Brigade troops, the rebels killed three people and took the fourth passenger of the jeep with them.

The victims—who were involved in cocaine trafficking—are: Alfonso Olivares, alias Pico Fresco; an N.N. [not further identified] known as El Mocho; and Roman Olivares Gutierrez. Jaime Montealegre is the name of the person taken by the rebels.

Meanwhile, we have been unable to obtain information about the results of the operations conducted by 5th Brigade troops commanded by General Alfonso Vaca Perilla in the areas of El Carmen and San Vicente de Chucurri, Santander Department.

Col Jorge Ernesto Ferrero Echeverri, Santander Department police commander, said the Special Security Council will meet today (Monday) to assess the situation.

Col Ferrero explained that "in principle, we have reports saying many people were killed, but we do not know exactly how many. We know seven peasants were murdered by FARC 12th Front members."

Helicopters continue overflying the battle zone. Airborne troops replaced the troops who were fighting against the men up in arms.

Peasants who arrived at San Vicente Chucurri said powerful explosions have been continuously heard since the military actions began on 22 March.

Army officers believe the rebel column is surrounded in a mountainous strip located between El Carmen and San Vicente Chucurri Municipalities.

Gen Vaca Perilla returned to the area yesterday, but he did not make any statements. He has been commanding operations in the area for the last 5 days.

An unofficial report indicated two helicopters were hit by FARC rebels' rifle fire.

San Vicente Chucurri parish priest Juvenal Martinez said the area residents and the common front are trying to form a commission to verify what is going on in the area.

Ecuador

Police Search for Drug Trafficker, Judges

PA2903152289 Quito Voz de los Andes
in Spanish 1200 GMT 27 Mar 89

[Text] The Criminal Investigation Service and Interpol have not been able to catch drug trafficker Ralph Abrahamson and Daniel Lema Ruiz and Alfredo Jaramillo, the judges who released Abrahamson. After committing an illegal act unheard of in the history of the administration of justice in Ecuador, the judges disappeared, cleaning out their offices, homes, and businesses.

As has already been reported, Abrahamson was secretly released by second penal judge Lema and third penal judge Jaramillo. The judges' secretaries have reported

that they were not advised of the reopening of the drug traffickers' cases, which had already been closed. In other words, the judges issued the release orders without their secretaries' signatures to certify the legality of the documents. Immediately after issuing the release orders, the judges went to the prison and released Abrahamson.

Prosecutors Alfredo Rendon and Fernando Campana, who were handling the case, never learned what was happening. In view of this irregularity, Tungurahua Governor Gonzalo Calleja and the highest authorities in Tungurahua Province have asked the police throughout the country to recapture Abrahamson, the judges, and other cocaine drug traffickers, all of whom were released at noon on Thursday.

So far, the only people who have been detained are prison warden Tomas Tamayo, his secretary, and a prison guard, all of whom said they were only obeying the Tungurahua judges' orders. Colonel Olguer Santana, commander of the Tungurahua 9th Police Corps, said the nationwide search for the fugitives continues, but that there have been no developments. Hopefully, he added, good luck will help capture the fugitives.

Peru

MRTA Proposes Dialogue To Restore Peace

PY2903232289 Madrid EFE in Spanish
1622 GMT 29 Mar 89

[Text] Lima, 29 Mar (EFE)—The Tupac Amaru Revolutionary Movement (MRTA), a Peruvian guerrilla organization, has sent a letter to Peruvian Cardinal Juan Landazuri, proposing that a dialogue be held to restore peace to Peru.

In its letter, which is partially published in today's LA REPUBLICA, a Lima newspaper, the MRTA outlines several conditions under which it will hold a dialogue with the Catholic Church.

The MRTA letter is dated 26 March, the same day Cardinal Landazuri stated over a local television station that the church would be willing to mediate with violence-oriented movements under acceptable conditions for dialogue.

The cardinal added that, because of their respective ideologies, these movements have not engaged in any dialogue whatsoever. He also noted that appeals made by the church have gone unheeded.

According to LA REPUBLICA, the MRTA letter says that the MRTA "national leadership carefully listened to your Easter message to the Christian community in which you reflected on the problem of violence in the country, and made an appeal to those organizations that have taken up arms."

Thus, the letter adds, the MRTA "deems it important to inform you of our opinion and our proposals in this regard."

The letter says that the church must play a decisive role in "humanizing this war," and that most victims of this war are "unarmed civilians."

The MRTA believes that in order to humanize this conflict the government and the Armed Forces must "stop committing crimes against unarmed civilians, prisoners must be treated in accordance with the Vienna Convention, torture and human rights' crimes must end, and paramilitary gangs must be dismantled."

The MRTA asks the church to demand that the Peruvian Government change its economic policy.

The MRTA says: "The church must demand that the government put an end to repression and crimes against the people; that high moral standards be observed in all aspects of Peruvian political life; and that stiff punishment be given to those who commit immoral, criminal acts against the people."

The MRTA letter concludes by stating that only this way will the church truly "contribute to finding a solution to this confrontation."

Monsignor Ricardo Durand Flores, president of the Peruvian Episcopal conference, today said that the church "cannot reject any proposal from violence-oriented organizations."

Msgr Durand said that if such a proposal is made the episcopal conference will immediately call a meeting of its standing committee "to study the situation."

Victor Polay, one of the MRTA's leaders, is currently in custody and facing trial on charges of terrorism.

More than 13,000 people have died in Peru since 1980, when the Maoist Shining Path organization started its wave of political violence, which has also caused heavy material damage.

Deputy Says Shining Path Gets Foreign Support
PY2903135089 Lima Domestic Service in Spanish
1030 GMT 29 Mar 89

[Interview with Deputy Jose Barba Caballero by unidentified reporters—time and place not given]

[Text] [Caballero] We know that for approximately 7 years Shining Path cells have worked perfectly well in Italy. Not only do they work, but they stage theater plays, they raise funds, and they have even had connections with [words indistinct]. In Italy they are working perfectly well. Fund-raising campaigns were staged in New York to [words indistinct]. The Swedish Government

even has the satisfaction of maintaining Shining Path political refugees, who receive financial support from the Swedish Government. This is nothing new, we are perfectly well aware of it.

We should pressure the Peruvian Foreign Ministry to demand stricter treatment and greater cooperation from these countries with the Peruvian struggle against violence and subversive crime.

[Question] What do you think about the remarks by Senator Sanchez, who proposed holding the general elections earlier than previously scheduled?

[Caballero] The proposal is totally consistent, because everything seems to indicate that political rule is returning to Peru. The deadlines established by the previous administration are too tight, because parties need a minimum period for their campaign in case of a runoff election. I believe that this is an absolutely feasible proposal and that this is why almost all parties have supported it.

New IPEN Head Sworn In by Energy Minister
PY2903144189 Lima Television Peruana in Spanish
0100 GMT 29 Mar 89

[Excerpts] Mines and Energy Minister Jose Carlos Carasco Tavaras today swore in the new President of the Peruvian Institute of Nuclear Energy [IPEN], retired Rear Admiral Cristobal Miletich Souza.

At the end of the ceremony, Miletich Souza stated that the Huarangal Nuclear Plant will begin operating within 6 months. [passage omitted]

[Begin recording] [Reporter] What are your main objectives as you begin your administration?

[Miletich Souza] We have several projects in mind. Some are much more urgent than others. We intend to begin the picowave project for food irradiation.

We also intend to exploit the Macusani uranium mines, which will surely become a source of foreign currency for the country. We also intend to foster many other projects for the use of nuclear energy in the medical field and in the metalworking industry.

Most of all, we want to make IPEN personnel feel proud to belong to the most advanced technology center in the country. If all those people work with pride, our projects will be successful, because of their initiative and creativity.

[Reporter] Do you think we are making progress with nuclear energy?

[Miletich Souza] Of course. The dedication of the Huarangal Nuclear Plant has been the first step. My task will be to put it into operation within 6 months. We hope to do so as soon as possible, because this will also be a

source of currency. As soon as we can produce radioisotopes, we will sell them to neighbor countries. I think we already have an agreement to supply Argentina with radioisotopes. The plant can be a source of currency, as well as a research center the country needs now.

Our scientists will be able to train there without having to go abroad. Training here will make them proud and happy to belong to this institute. The institute will do all it can for the good of the country. [end recording]

Bomb Explodes in Restaurant; No Casualties
PY2903181489 Madrid EFE in Spanish 1344 GMT 29 Mar 89

[Text] Lima, 29 Mar (EFE)—A bomb exploded today in a Lima restaurant, and a second device that had been placed in the same establishment was deactivated by the Peruvian National Police.

There were no victims, and the explosion caused very little damage to the restaurant, which is located in the commercial area of the residential district of Miraflores.

Guerrillas of the Tupac Amaru Revolutionary Movement (MRTA) have claimed credit for the terrorist act through pamphlets they left on the premises, according to the police.

Uruguay

Government Implements Energy Restrictions
PY3003114189 Montevideo Radio Carve in Spanish 0930 GMT 30 Mar 89

[Text] The government has decided to implement energy restrictions starting at 0000 on 1 April. Street lights will be reduced by 50 percent. Lights in window shops will be off. There will be only 6 hours of television, starting at 1800. The use of household electricity will also be restricted to only one light bulb per room. If the situation does not improve and it does not rain, there may be 3-hour outages in each district.

The outages will not be implemented yet. UTE [State Power and Telephone Administration] will schedule the 3-hour outages for each district and the schedule will be announced ahead of time.

Regarding the reduction of street lights by 50 percent, Interior Minister Antonio Marchesano said that police protection will be increased on the streets of Montevideo and throughout the country.

Venezuela

Perez Leaves for Atlanta To Begin U.S. Tour
PA2903171289 Caracas Venezolana de Television Canal 8 in Spanish 1602 GMT 29 Mar 89

[Text] Venezuelan President Carlos Andres Perez left this morning for Atlanta, Georgia, where he is expected to have a very hectic schedule.

Upon beginning his tour of the United States, Perez was accompanied by former Venezuelan President Rafael Caldera, Jamaican Prime Minister Michael Manley, and other important persons.

In the next few hours, Perez will address a conference sponsored by the Carter Center on the new hemispheric agenda. There is great expectation regarding President Perez' speech, as he will discuss the foreign debt issue, which is of great importance.

Perez will visit New York tomorrow. He will speak to the members of the Group of 77, which will be meeting at the UN headquarters. He is expected to return to Venezuela on Saturday night.

Right now in Atlanta, international delegations are working on finding ways to alleviate the conflict in the Americas and to promote regional understanding. These delegations are involved in a conference dealing with a new hemispheric agenda. Atlanta has thus become the hemisphere's political, economic, and social center for 2 days.

[Begin reporter recording] The leaders attending this meeting see great hope for Latin America. They believe the 1980's were a great lesson for the nations of the hemisphere. From now on, the leaders insist, cooperation between the United States, Latin America, and the Caribbean is necessary, if not indispensable, mainly to solve the region's great conflicts.

The most important issues to be discussed on Wednesday and Thursday will be the foreign debt crisis and future economic cooperation, the Central American conflict, drug trafficking and abuse, democratic expansion and consolidation in the Americas, human rights, and Cuba and the inter-American system.

The conclusions will be released to the public on Thursday afternoon, only a few minutes before President Perez will depart for New York, where he will continue his tour and serve as a guest speaker at the UN headquarters. [end recording]

President Speaks on Relations With Colombia
PA2903233389 Caracas Venezolana de Television
Canal 8 in Spanish 0215 GMT 29 Mar 89

[Speech by President Carlos Andres Perez following his meeting with Colombian President Virgilio Barco in Urena, Venezuela, on 28 March—recorded]

[Text] Mr Virgilio Barco, president of Colombia; Mr Alfonso Lopez Michelsen, former president of Colombia; Mr Adolfo Suarez, former Spanish prime minister; Messrs ministers of Colombia; Messrs ministers of Venezuela; illustrious friends; members of the commissions appointed today to deal with common problems and to find solutions to common Colombian and Venezuelan problems:

History beckons us. We are being heard by the peoples of Colombia and Venezuela and by all the Latin American peoples. We, the Colombian and Venezuelan presidents, are faithfully complying with a mandate not only for our people but for Latin American integration. We cannot, as you said, President Barco, continue to ignore these historic mandates. We cannot continue to speak about Latin American integration as long as neighboring peoples united by history, culture, and a common destiny.... [Perez changes thought] We cannot continue to ignore problems that we must solve and that deal with the need for an agreement to promote the development and welfare of our two nations.

You and I—my dear friend, Virgilio Barco—have known each other for many years and are united in our struggle to sustain good relations between Colombia and Venezuela. For many years we have participated in these joint efforts. Here we are on an international bridge that was the result of an agreement you and I signed during the administrations of [Colombian President] Guillermo Leon Valencia and [Venezuelan President] Romulo Betancourt in response to demands for closer ties and Colombian and Venezuelan integration between our common border.

More than 20 years have passed since those agreements were signed, and you arranged the historic meeting between Presidents Guillermo Leon Valencia and Romulo Batancourt. Nevertheless, if we go back in Colombian and Venezuelan history, we will recognize with a certain amount of guilt that we have made little progress in our commitment to integration, despite the fact that our peoples on either side of the banks of the Tachira, Arauca, and Orinoco Rivers demand that we reach an understanding and take firm and definite steps toward the future.

The three commissions we have formed today are made up of Venezuelan and Colombian citizens who play a significant role in our nations and who understand and feel this commitment to Colombian-Venezuelan integration and to Latin American integration. They also include illustrious Spanish, Ecuadoran, and Mexican citizens who have joined us here to help us achieve our

goals. I sincerely hope that the declaration we have signed today and the formation of these three commissions will finally provide us with the long-awaited solutions so urgently needed by Colombians and Venezuelans alike, which will facilitate the path toward Latin American integration. I want this to serve as an example for other countries in the region needing to engage in joint efforts. They should join efforts just as we—the Venezuelan and Colombian presidents—have joined efforts today by signing this historic agreement at the Francisco de Paula Bridge in Santander, on the border between our countries.

The commission composed of two high commissioners from both nations will systematically force us to closely analyze the problems and the tremendous potential regarding our countries' integration. It will provide recommendations on ways to deal with these significant issues. We want to take the path of understanding and direct dialogue to solve these problems between Colombians and Venezuelans.

The most important issues we need to address include the delimitation of sea and undersea areas in the Gulf of Venezuela, along with the common hydrographic basins, which are vital both for Colombia and for our country, as well as other related issues. These issues must greatly encourage unity and fraternity between our nations and not lead to discord or alienation.

In our two nations' histories, giving full validity to a treaty signed in 1939 means obeying a mandate that comes from the very heart of our two countries and derives from the words of our founding fathers, such as Simon Bolivar. This internationally valid agreement defines our support for nonaggression, arbitration, reconciliation, and adjudicated solutions.

That 1939 treaty had been valid for a long time but was not implemented until the commission was formed for reconciliation. We have entrusted this commission to a dignified and fraternal Spaniard—namely, former Spanish Prime Minister Adolfo Suarez, who has ties with the early history of Spanish democracy.

Suarez will be joined on that commission by an illustrious Latin American—namely, former [Colombian] President Adolfo Lopez Michelsen, who has repeatedly shown his Latin Americanist feelings and his friendship toward Venezuela; a man who, at an important moment in our peoples' history, faced the responsibility of destroying a myth that was blocking the return to Panama of its sovereignty over the Canal Zone.

This man will surely act historically to improve friendly relations between our two countries, which will lead to Latin American integration. He is accompanied by another illustrious Latin American, who, at the United Nations, has promoted understanding and friendship not only among Latin American nations, but during great world conflicts. I refer to Dr Diego Cordovez,

Ecuadoran foreign minister under President Rodrigo Borja's administration. Venezuela is represented by an illustrious citizen, who presides over the country's highest court. He is Dr Rene de Sola, who is accompanied by another former Latin American president, a former Mexican president who made that country turn its eyes toward this area of Latin America. It is former president Luis Echeverria.

This commission, which fully obeys the 1939 treaty—a document of extraordinary significance that demonstrates and will always demonstrate a determination to reach peaceful accords and to integrate the two countries—is now being managed by people whom both Colombians and Venezuelans can trust to work for an understanding and productive relations between our two countries.

One of the other commissions, which will establish a methodology for dealing with our problems and for finding solutions to them, is also staffed by Venezuelans and Colombians who deserve to be widely respected and absolutely relied upon by our two countries. In addition, we have designated a special commission to deal with border problems, an onerous problem that tries our ability to respect border residents. This is a problem that we face almost every day. During my presidential campaign in Tachira Department, I told the residents of Urena, San Antonio, and Delicias that they are Venezuelans and enjoy the same rights as Venezuelans in any other region, that living at the border should be a source of pride and not produce a negative situation characterized by individual rights violations. This is the fault of the presidents of our two peoples, who have not been determined, courageous, or understanding enough to use their imaginations to find a solution that is not only stridently demanded by the people of the border region, but essential in allowing Colombia and Venezuela to offer the area's people—whom geography united and man separated—progress and to make available to them the great wealth that remains untapped because the people lack the willingness and determination to promote development.

With full and due respect for the dignity and sovereignty of each of the two peoples, international law, and the people of each nation, we now must struggle to give these peoples what they deserve to ease their suffering. So far, we have cared little for how these people live or for what they have suffered. Virgilio Barco and I know, suffer, and feel these things very strongly because he and I were born on each side of the border and we have discussed and talked over this problem many times.

I have attended this meeting with hope and willingness, because I believe I am fulfilling one of the historic mandates of Venezuelan history, which compels us to march toward integration, understanding, and a solution to all these problems, which, although we do not often admit it, are the true reason behind the lack of success of the Latin American integration movement. We should not relinquish our peoples' rights or dignity.

Agreements must respect, not diminish, our territorial integrity and the sovereign rights of both Venezuela and Colombia. The talks of these commissions will not be an exercise in one-upmanship. The quality of the men we have appointed to the commission are a guarantee that they will act looking to the future and knowing that they, together with the presidents of Colombia and Venezuela, have made a historic commitment that will not be questioned by future generations.

You, President Barco, and I believe in what we are doing. We are acting in good faith. We know that if we are able to bring this effort to its full potential, we would each be doing much good—you for Colombia, and I for Venezuela. You and I would be doing much good for Latin America. This is why I have come here with optimism and without reservations. This is why I am making these statements being heard by my people in Urena, San Antonio, throughout Venezuela. The Colombian people are also listening to me. They should know that their presidents have the spirit of peace and understanding, and that perhaps—although this may sound conceited—we are speaking on behalf of Simon Bolivar.

This is a particularly suitable time to reach understandings, agreements, and fraternity among the Latin American people. Since the end of World War II, the world has faced exceptional circumstances. The developing countries, the small, the weak countries, have never had before as they have today the possibility of attaining peace, of eliminating the menacing threat of atomic war.

For the first time we are seeing, with surprise, how regional conflicts, which were once the idle pastime of the superpowers, are disappearing. The solution to the problem in Angola, freedom in Namibia, and the outcry against apartheid in South Africa are all products of reconciliation between the superpowers. We have seen Soviet troops leave Afghanistan. We have seen something that appeared incredible: the opening of a solution to the Middle East conflict, which in the past has unleashed the terrible scourge of terrorism on the world.

Why can we in Latin America not also join this movement of peace, fraternity, and understanding? In Central America, thanks to the awareness of solidarity that has been awakened in Latin America, the Contadora and Support Groups—groups which we now call the Group of Eight—were able to encourage the Esquipulas II agreement, an initiative of Costa Rican President Arias.

We have also seen the miracle of the Central American presidents sitting at the same table for negotiations and dialogue. They are making efforts now, with the encouragement of the Latin American people, to find their own solution to the conflict.

We have seen how, as the Bush administration begins its term, the United States has discreetly admitted that the voice of Latin America must be heard. Paternalism is obsolete because we do not accept it, because we do not

want it, because we do not need it, and because relations should be based on respect and cooperation. We cannot accept relations based on arrogance.

Today we are celebrating an agreement between U.S. Democrats and Republicans. President Bush and the Democratic leaders of Congress should have their names engraved in history, as it seems the need for good, realistic relations between Latin America and the United States has been recognized. That agreement starts by recognizing the effectiveness, importance, and meaning of the Central American peace efforts and the Esquipulas II agreement. The bipartisan agreement is an entirely new U.S. policy.

Esquipulas II has created a unique situation for the United States, which acknowledges the treaty and the decision made in El Salvador to definitely end the war between Nicaragua and the insurgents who have been called contras. The United States also acknowledges Nicaragua's release of 1,800 national guardsmen detained in its jails for so many years and Nicaragua's repeated offers to allow those warring against the nation into its open territory, thus allowing them to come to Nicaragua with every guarantee they will be allowed to enjoy the land and cultivate it.

The five Central American countries also agreed to establish the rules whereby the irregular contra forces would be dissolved and an election process established in Nicaragua to give that nation a government borne of democratic elections in February 1990, scarcely within 6 or 8 months.

This is a historical agreement. We must congratulate ourselves, extend our confidence to President Bush's government and Daniel Ortega's government in Nicaragua, and extend our confidence, support, and solidarity to the leaders of Costa Rica, Honduras, El Salvador, and Guatemala, who with Nicaragua's leader are the protagonists of this grand event in our people's history, with which we Latin Americans are demonstrating we want to forge our own destiny and want Latin American solutions to Latin American problems.

It is in this atmosphere of broad perspectives, in this decade of the 1980's, the decade of democracy in Latin America, that we have met at Urena International Bridge to sign this agreement, which (?is not political), but which we are willing to implement in the course of our presidential mandates.

This means there is yet another event we Latin Americans have not fully appreciated: The group born on Panama's Contadora Island and called the Contadora Group, which demanded the right to seek a Latin American solution to Central America's problems. It later became the Group of Eight with the inclusion of four Latin American countries. That group, which was created with an important but small objective in mind, within the dimension of Latin America's problems, has

now adopted a decision that will mark an important milestone in Latin American history, a decision that will definitely establish the certain possibility of integration on the Latin American continent.

The Group of Eight—which is presently only seven, because of the regrettable crisis Panamanian democracy is experiencing—has agreed to represent Latin America, not by seizing authority over the region but by creating a group capable of movement and action, which can interpret the feelings of the entire Latin American region and confront the most incredible contradiction of this decade of democracy: the foreign debt, the economic crisis our countries are experiencing.

Thanks to the actions coordinated by the Group of Eight and the contributions by the Latin American Economic System, which comprises all the region's countries, we now see possible solutions to the debt problem beginning to appear. Those are solutions to a problem that not only threatens our peoples with hunger and misery but also threatens our peoples with political destabilization leading to the destruction of democracy.

Venezuela recently was the scene of incidents that moved the entire world. Those incidents were an expression of the people. They were not promoted by agitators or subversive movements but by the misery taking over our peoples while the great nations of the world live in peace and turn a blind eye to the way in which our economic relations are handled. They turn a blind eye to the abusive, intolerable, and obscene way in which they are trying to make us service the foreign debt, which is the cause of our situation. The foreign debt problem has caused its first scandal in Caracas, and that could unfortunately and painfully happen again in any other Latin American city.

I am not saying this out of resentment or anger. I am expressing a timely warning here and now that Colombia and Venezuela are getting closer to a definitive understanding. That understanding will show that our two countries also have a responsibility within the Group of Eight to continue forward with our purpose, which is not to be confronted with the great industrialized nations but to reach an understanding with them on the basis of mutual respect, full appreciation, and the discussion of our problems without intermediaries.

I leave for the United States with that goal in mind. I am certain that I will speak for all of Latin America—not because I assume a representation that I am not entitled to, but because I say what all our people say today, what all our (?youths) demand, what Latin American history demands from us, the region's leaders.

There is no time to hesitate, no time to delay. We must now seek negotiated agreements based on mutual understanding between the great industrialized nations and Latin America. Fortunately, in this case—as in other cases I have just mentioned—we already have heard

French President Francois Mitterrand, then Japanese officials, and now U.S. President Bush refer to the issue, thus opening the way to reaching an agreement.

None of the proposals issued thus far are complete or satisfactory, but all are interesting and all point to a fact that has already been recognized: One cannot continue to ignore the problem of the Latin American economies, development, and foreign debt payments.

We will discuss the foreign debt problem on those bases and without any hesitation. We will consider the advantages of each proposal. We will present our own solution and we will ask the Group of Eight to listen to us, to discuss with us, and to help us reach an understanding, because that understanding not only involves Latin America's fate, but also the fate of the entire world. We can no longer be ignored. If we were enchained by the foreign debt, great nations are also enchained by our inability to pay off the debt under the current conditions.

To speak of interdependence is to speak about coresponsibility for problems and solutions. That is the framework within which we will discuss the debt problem this year. We will solve the foreign debt problem this year. That is not an illusion. It is not Panglossian optimism. We are certain that our peoples cannot wait any longer and that our own destiny is at stake. We cannot hesitate before that supreme and overall responsibility.

President Barco, dear friends, and guests, I do not wish to tax your patience any longer. My emotions and the certainty I feel that we are taking part in an historic ceremony have caused me to get carried away and have caused me to address the Colombian and Venezuelan peoples and the Latin American peoples with complete sincerity. From this place, from this bridge, where we are participating in an event that is an expression of Latin American understanding and brotherhood, we send a message to the United States and to Europe: We want your friendship and cooperation. We are willing to assume our share of responsibility and to make the relevant sacrifices, but we cannot wait any longer. Let us get to work. That is the watchword of the moment. Thank you very much. [applause]

Guyana

Vice President Appointed Ambassador to USSR
FL2903004289 Bridgetown CANA in English
0007 GMT 29 Mar 89

[Text] Georgetown, Guyana, March 28, CANA—Vice President Ranji Chandisingh, the number three man in Guyana's Government, is being posted to Moscow as the country's ambassador, the Ministry of Foreign Affairs announced Tuesday night.

Chandisingh, who was on New Year's Day transferred from the Ministry of National Mobilisation to the Office of the President, will succeed Malcolm Parris.

Months ago, it was announced Parris would be returning home to take up a new position as chief executive officer of the ruling People's National Congress (PNC).

Chandisingh, who was also deputy leader of the PNC, becomes the second vice president to be given diplomatic posting and the fourth former vice president of the Guyana Government since the country's new constitution was promulgated in October 1980.

The other former vice presidents are, Steve Naraine, now ambassador in New Delhi, Cammie Ramsarhoop, former vice president parliamentary affairs, now an attorney at law in private practise, Dr Mohammad Shahabuddin, former vice president, attorney general and minister of justice, now a judge at the World Court in the Hague, and Dr Ptolemy Reid, former first vice president, prime minister and deputy leader of the PNC, now special advisor to President Desmond Hoyte.

Chandisingh, who resigned from the opposition People's Progressive Party in 1976 after 18 years, is considered a leading Marxist.

Bauxite Production Not Affected by Strike
FL2803152789 Bridgetown CANA in English
1754 GMT 25 Mar 89

[Text] Georgetown, Guyana, March 25, CANA—Guyana's state owned bauxite company (Guymine) says that despite the recent 2-week strike in the industry, it was able to achieve more than 90 per cent of its target.

The company's communication department reported that, during the period March 1 to March 15, 21,010 tons of calcined bauxite were produced at the company's Linden operations and this was 97 percent of the targeted 21,735 tons. The Linden operations also surpassed the 11,844 ton target for dried bauxite by producing 13,340 tons of the product. The company's total production of dried bauxite metal and chemical grades during the period under review was 37,365 tons - 92 percent of the targeted 40,669 tons.

The Berbice operations, Guymine said, produced 24,025 tons of dried bauxite from a target of 28,825 tons - an 83 per cent achievement of its target.

The figures were released by the company to back up its reports that the majority of bauxite workers did not need their unions call to go on strike. The strike was to protest the company's derecognition of the officials of the two unions who had advised workers to join in a day of protest against the gloomy economic situation in the country.

Guymine had also suspended the deduction of union dues from workers wages and salaries.

The two unions - the Guyana Mine Workers Union (Gawu) and the Guyana Bauxite Supervisors Union (GBSU) - had claimed that the vast majority of workers

had heeded their call to join in the day of protest sponsored by the recently formed Federation of Independent Trade Unions of Guyana (FITUG) and in the subsequent strike. But Guymine maintained that more than 80 percent of its 5,000 workforce remained on the job.

The strike which was started on March 3, ended March 17 following talks involving the disputing parties and officials of the Labour Ministry, and the signing of a document stipulating the terms of resumption. In keeping with those terms of resumption, the two unions have agreed to comply with their respective collective labour agreements with the company.

Guymine has since, as part of its public relations programme published large advertisements in the local media drawing special attention to clauses in its agreements with the unions which in each case states that "for the duration of this agreement, there will be no strike, stoppage of work, go slow, picketing boycott, or other willful interference with the company's operations by the union or by employees of the company to whom this agreement shall apply and no lockout by the company".

The company has also said that both unions have committed themselves to do everything possible to help guymine in its drive to improve and maintain the levels of production and productivity within the (bauxite) industry ..."

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